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ASSESSMENTS OF POST-REYKJAVIK SITUATION CONTINUE

NOVOSTI Roundtable

PM191543 Moscow MOSCOW NEWS in English No. 46, 16 Nov 86 p 5

[Unattributed report: "Time to Make a Choice. Reykjavik and the Planet's Security"]

[Text] We live in a troubled world. Our daily cares are increasingly dwarfed by the thought that they might vanish in a flash...

People separated by continents and oceans are united in wishing to prevent global nuclear catastrophe. They are urging politicians for a speedy and just solution. The solution can be made if a new mode of political thinking essential in the nuclear age prevails.

Guided by this thinking, Moscow invited Washington to talks in Reykjavik. A historic decision was a step away. Why was it not made?

This was the subject of the round-table discussion at the NOVOSTI Press Agency: "Moratorium, disarmament, and new political thinking in the nuclear age".

The discussion that ran for nine hours over two days brought together: Michel Tatu, analyst of the Paris newspaper LE MONDE; Pierre Salinger, Paris correspondent of American ABC TV; Juergen Jagla, editor of the West German newspaper KOELNISCHE RUNDSCHAU; Krishnan Kutti, deputy director-general of the United News of India; Tanzanian publicist Akile Tagalile; Harold Hamrin, Moscow correspondent of the Swedish nespaper DAGENS NYHETER. Soviet participarts included Chairman of NOVOSTI Press Agency Valentin Falin, deputy chief of the Administration of the General Staff of the USSR Armed Forces Maj Gen Yuriy Lebedev, Chairman of the Soviet Association of Political Sciences Georgiy Shakhnazarov, Academician Nikita Moiseyev, Corresponding Member of the USSR Academy of Sciences Georgiy Golitsyn, Daniil Proektor, D, Sc. (History), writer Ales Adamovich, Metropolitan Sergiy. The moderator was Nikolay Yefimov, first deputy editor-in-chief of the newspaper IZVESTIYA.

No Margin for Error [subhead]

Valentin Falin: Today the price of a wrong decision, the price of an error is entirely different than 40 or 50 years ago. We live in a situation where the chances of correcting a mistake are ruled out. It is not enough to realize that it is no longer possible to live in the old way, that yesterday cannot give answers to today's and moreover to tomorrow's challenges. Our government and the Communist Party of the Soviet Union have arrived at this conclusion: all present political thinking should be fully replaced by a new one. Everything considered immutable yesterday should be re-examined.

The Soviet side has drawn a firm conclusion: in our day and age, settlement of problems between states including security problems, is only possible through peaceful means, through talks. The position-of-strength policy and the policy of violence have become totally outdated. Security in our age can only be security for all. As regards the USA and the USSR, it can only be mutual. Striving for military superiority is radically wrong. Such superiority is unattainable, and all attempts to dismiss this truth invariably lead to destabilization in the world situation.

Daniil Proektor: We live in an amazing world. On the one hand, there are stockpiles of staggering weapons of destruction. To me, there are no earthly standards to evaluate them. You must only use some cosmic standards. On the other hand, humanity has approached the point where it has to recognize that this fantastic power cannot be employed as a political means.

This leads to a paradoxical situation. This conclusion was made by the finest minds of mankind as early as the late 1940s -- think of the warning made by Einstein and a group of other physicists. But correct conclusions take time to become general. It took the Caribbean crisis, to took the evolvent [as published] of the physical concept of "nuclear winter," medical research into the catastrophic nature of a nuclear conflict for the conclusion on the impossibility for modern armed forces to be a political means to receive broad recognition.

Why Package? [subhead]

Michel Tatu: The Soviet "package" in Reykjavik came to us as a surprise. Since all the issues ended up in a single package, the reaching of a separate agreement on Euromissilies seems to be no longer possible. To me it's a step back. Which is easier; to tackle all the issues simultaneously or one by one? If we attempt to settle all the issues together, then, I believe, we will be able to solve none.

Pierre Salinger: I think the USSR and the USA can agree on medium-range missiles if SDI does not come into the deal. I think the USSR and the USA can agree on nuclear tests if there is no direct linkage to SDI.

The package idea will probably not bring a success. If we break up the package and solve the individual probmlems separately, I think it will enable us to reach accords.

Yuriy Lebedev: It is often asked in the West, why the Soviet Union is against solving the medium-range missiles issue apart from the other issues as was the case before. I would like to remind you in this connection of the far-reaching Soviet steps on limiting and cutting nuclear strategic offensive weapons and on scrapping nuclear medium-range missiles in Europe. In Reykjavik and at Geneva talks on nuclear and space weapons we've made a big concession to the United States.

We have agreed to a 50-per-cent cut in all strategic arms and withdrawn the question of US nuclear forward-based weapons. As to medium-range missiles, we have put aside the question of British and French nuclear potentials. We have gone as far as to radically cut our medium-range missiles in Asia. Finally, we have agreed to start talks on missiles with the range of less than 1,000 kilometres and to freeze their arsenals. For this reason the solution of the question on medium-range missiles outside the package would give the US a chance to gain unilateral advantages. And we rightly expect that the USA will meet the Soviet Union halfway on the whole package of questions pending solution.

At a New Stage [subhead]

Georgiy Shakhnazarov: Following Reykjavik, the entire disarmament issue has moved onto a new stage. Before Reykjavik the disarmament issue appeared as a highly complex mathematical problem. It has become exceedingly simple. It takes half a page to describe it. This means that everybody in the world, even illiterate people, can see what can and should be done today. [paragraph continues]

And this is right firstly because not only politicians but all people should know what is to become of them. And secondly, not just the USSR and the US but the rest of the world, all the other countries also have the right to take part in the disarmament process.

Akile Tagalile: Africa should discuss disarmament because those who threaten the life of mankind threaten Africa too. It is for this reason that Africa has the right, together with other peace-loving peoples on the planet, to fight for disarmament and peace.

Obviously, a nuclear war, no matter on what scale, would not spare a single person on the planet, including those who would start the war. It is terrible that nuclear arms are being acquired by states which are in conflict with their neighbours. I mean Pakistan, Israel and South Africa. This means that anything can happen not just in relations between the two great powers. The whole world, and the Third World in particular, has a number of problems such as hunger and poverty. Nuclear tests should be stopped in order to do away with nuclear weapons. This should be followed by eliminating all existing stocks of arms.

The World is Different After Reykjavik [subhead]

Metropolitan Sergiy: We warmly welcome the efforts of those political figures who are persistently trying to rid the earth of nuclear weapons, to prevent the deployment in the sky of space arms, to establish new relations between states and nations. For this reason we welcome the decision of our country's government to announce a unilateral moratorium on all nuclear tests. Sadly, this moratorium is unilateral, and the USA is carrying on its nuclear weapons tests in Nevada. This cannot but worry us because it is out of keeping with Christian principles so often referred to by President Reagan.

What is the significance of the moratorium from the Christian point of view? During the initial months some people viewed it as a natural technological pause in the creation of new Soviet types of weaponry, now it is obvious for everyone that this is a bold and unprecedented step linked with principled refusal to meet challenge by challenge. We welcome the scientifically-based and large-scale plan offered by our state for the phasing out of nuclear weapons until they are fully destroyed by the end of this century.

After Reykjavik the world cannot remain what it was before that meeting. The world has realized the dilemma facing it. Now it must make a choice, and the choice depends on what all people, what everyone of us decides.

Ales Adamovich: Forty thousand nuclear weapons are to be unleashed against the Soviet Union. Mikhail Gorbachev has said that even if we do not retaliate, the result will be the same: Europe will perish. I'm telling this to you as a representative of Belorussia which, unfortunately, was affected by the Chernobyl tragedy. The 40,000 missiles they are planning to unleash on us would, even if the Soviet Union does not retaliate, kill those who have designed and launched them.

SDI: The Crucial Question [subhead]

Yuriy Lebedev: Many people say that SDI will benefit humanity and help it get rid of nuclear weapons. That is what the US President and other SDI backers contend. The SDI problem has for quite a long time been literally rocking the world.

It has become a brake on the Geneva nuclear and space arms talks. It has emerged as the sole cause of the failure to agree in Reykjavik during the Soviet-American summit.

It only became possible to start strategic offensive weapons when work started on an agreement limiting missile defence, which was signed in October 1972.

The sides mentioned in the preamble to that tragedy that effective measures on limiting ABM systems would become a vital factor in restraining the strategic offensive arms race. This factor remains in force.

The ABM Treaty today is the foundation for the entire process of talks on limiting and cutting nuclear weapons. The American side's attempts to undermine this treaty made it impossible in Reykjavik to move towards the realizaton of the accords on strategic offensive weapons and medium-range missiles.

It is being alleged that the work on SDI is no violation of the ABM Treaty. It is maintained that SDI is a research programme. It should be remembered that 60 billion dollars are to be spent on this programme over the coming decade. This question is, having spent this money, can one renounce this programme? Besides, it is hard to determine the point where research ends and deployment of components of such a system begins.

In Reykjavik the Soviet side proceeded from the assumption that it was the research work that was conducted. The United States was offered to conduct the research and even tests but only if they are confined to the laboratory. The US attitude to this Soviet proposal revealed the United States true intentions. It became obvious that the US Administration was not simply conducting research but that it had specific plans to design a weapon in order to achieve military supremacy over the Soviet Union.

The work underway on the SDI plan fully contradicts the ABM Treaty and is intended to hamstring it. What will be the result? If a space-based missile defence is established, there can be no talk on cutting strategic offensive weapons.

Krishnan Kutti: Final agreement was not reached in Reykjavik. Yet this does not mean that all is lost. But where do we go from here? This question, obviously, worries all of us. I'm not very clear on technical details. The issue, as I see it, is how mutual suspicion can be removed. This could very well be the starting point.

One should not decline futher talks only because the Soviet package was not accepted by the other side. Nuclear weapons are an evil that should be fully destroyed. And if the Soviet Union has stated that it is prepared to do so by the year 2000, the statement should be fully trusted. SDI will spawn new types of weapons. And if the Soviet Union thinks that the work on SDI should be confined to the laboratory, this is sensible, I think.

Juergen Jagla: SDI holds two great dangers for peace on earth. There is an immediate danger of violation of the ABM Treaty. We don't know what consequences it may entail. Secondly, experts involved in the SDI project also produce spinoffs of military and technological importance. And these spinoffs may result in the designing of new methods of waging a conventional war. Conventional wars then would entail as terrifying consequences as an atomic war.

Valentin Falin: The Soviet proposal in Reykjavik on phasing out nuclear tests was made in conjunction with another proposal dealing with a stricter adherence to the ABM Treaty. American tests in Nevada constitute part of the SDI plans. If these tests are meant to create new nuclear technology, then the consequences are likely to be extremely dangerous for everybody.

The Soviet Union, like no other country, can parry this threat from the United States. So, this danger primarily threatens other countries. In our concept though, all that is destructive to security of "third countries" is destructive also to our security because security, as we understand it, can only be security for all.

Bogachev Condemns U.S. Stance

LD192339 Moscow TASS in English 2315 GMT 19 Nov 86

[Text] Moscow November 20 TASS -- By TASS military writer Vladimir Bogachev

The Supreme Soviet of the USSR called on Wednesday on all parliaments and peoples to come out strongly for a practical start to creating a nuclear-free world and building reliable security to be shared by all countries on an equal basis. The Supreme Soviet of the USSR solemnly confirms that the USSR does not withdraw any of the proposals it made in Reykjavik, the proposals aimed at the elimination of all nuclear weapons.

As is known, during the Soviet-U.S. summit in Reykjavik the sides have in principle reached understanding that progress in all the spheres of disarmament must be linked within one package. The United States, however, refused to solve the question of its "Star Wars" in the spirit of the agreed upon linkage of the commitments to terminate the arms race on earth and prevent it in space. As is known, precisely such a commitment was assumed by the USSR and the USA during the Geneva summit in 1985.

They in Washington now make attempts to get from the talks what is more advantageous for the USA and to ignore agreed upon provisions which for various reasons do not suit certain circles in the USA.

The United States insists on the revision of mutual understanding reached by Reykjavik and demands, for instance, that the inter-relationship between medium-range missiles, on the one hand, and strategic armaments, both offensive and defensive, on the other, be given up. Representatives of the U.S. Administration assert that the Soviet Union has allegedly made a step back in this matter, since it had earlier been prepared to resolve the question of medium-range missiles regardless of the solution of other matters.

The point of the matter is that the situation has changed. Striving to achieve large-scale arrangement on disarmament, the Soviet side in Reykjavik left aside nuclear arms of the United States' allies, even though Britain and France continue building up their missile potential and all their military activity is coordinated in the NATO framework. The Soviet Union met the United States halfway also on reduction of medium-range missiles in Asia. The USSR declared that with the elimination of the U.S. and Soviet missiles in Europe, only 100 warheads on Soviet medium-range missiles will remain in Asia and 100 warheads on medium-range missiles will remain on the U.S. territory.

This was a major concession by the Soviet Union. And the Soviet side had a right to expect from the U.S. side the awareness of global danger with which the U.S. "Star Wars" programme is fraught. For it is pointless to eliminate armaments on a relatively limited scope of the earth, while opening the road to strike arms to truly unlimited space. Even more acute is the need to resolve the question of medium-range missiles in the package of agreements, in the interrelationship with the obligation of both sides not to use the right of withdrawing from the ABM Treaty in the course of ten years.

During difficult talks and acute disputes in Reykjavik there emerged an opportunity to start working out agreements on strategic offensive arms and medium-range missiles. The barrier to reaching agreement on the entire package of proposals arose as a result of the United States persistent wish to get from the Soviet Side, no matter what, a consent to the elimination of the ABM Treaty after a period of ten years, during which the USA would be preparing a system of space strike arms for deployment. The Soviet side, naturally, could not agree to this.

The United States refused to give up its plans for the militarisation of space and thus frustrated arrangements on disarmament, including medium-range missiles.

The Soviet Union contributed the maximum of goodwill to its proposals in Reykjavik. The Soviet side does not withdraw these proposals, also as far as medium-range missiles go. If the U.S. side is striving really and not in words, to make nuclear weapons obsolete and impotent, it must show the readiness to continue the work on disarmament from the level reached in Reykjavik -- both political and positional.

Chnoupek Article

PM191014 Moscow PRAVDA in Russian 18 Nov 86 First Edition p 5

[Article by CSSR Foreign Minister Bohuslav Chnoupek under the rubric "Echo of Reykjavik": "Time Waits for No Man"]

[Text] Prague -- There are certain events in history to which you have to keep returning in your mind. In order to draw conclusions from the past, correctly assess the present, and plan the future. It is absolutely certain that the meeting betweeen M.S. Gorbachev, general secretary of the CPSU Central Committee, and U.S. President Reagan in Reykjavik was one such event.

The great political significance of the talks in the Icelandic capital is that thanks to the flexible and at the same time principled position of the Soviet side, the two states advanced so far in the quest for nuclear disarmament, probably for the first time in many decades. After all, coming close to a treaty on the radical reduction and then the total elimination of nuclear weapons -- both strategic and medium-range -- means, in effect, reaching a fundamentally new level in the struggle for the elimination of means of mass destruction.

It turned out that it is realistic, entirely possible, and, given good will, relatively quickly feasible to seek and find solutions to key problems. Here a comparison suggests itself. The road to the SALT I Treaty lay through intensive conferences of experts, lasting 3 years. It took another 7 years to sign the SALT II Treaty. Precisely similar talks taking place in Geneva during this decade have yet to yield results.

In Reykjavik only a few hours sufficed, so to speak, to reveal the sides' positions and bring about a substantial rapprochement. It is important that everything on which an accord was reached there on the basis of the Soviet proposals continues to remain the cornerstone of Soviet-American dialogue.

When you think about the circumstances which led to the summit meeting, you come to the conclusion that everything that has happened in the international arena, and especially in Soviet-American relations, objectively required that meeting. After all, time hurries on, and the conveyor belts of the arms race hurry along with it. That is why it was absolutely necessary to clarify where and to what extent the sides could move in this direction. That is what happened.

Although Reykjavik did not end with the signing of any agreements; it did, however, open up a broad path for intensive preparation of agreements.

In order to see why the American side was unwilling to formalize an accord, it is necessary to take into account the basic elements of continuity in the two states' foreign policy. On this occasion the world once again saw the two opposing political and philosophical approaches of the leading powers to tackling mankind's vitally important problems.

On the one hand, the Soviet Union, in the spirit of creative development of its peace program, puts forward large-scale initiatives aimed at ending the arms race on earth and preventing its transfer into space. The USSR takes these steps in the consciousness of its high degree of responsibility for the attainment of the main objective -- the prevention of nuclear catastrophe. This desire is embodied in all the key Soviet initiatives: The 15 January 1986 proposal on the total elimination of nuclear weapons and other types of weapons of mass destruction by the end of this century; the unilateral extension of the moratorium on nuclear explosions; and the program for joint practical actions by all states to use space for the benefit of all mankind.

Together with its allies, the USSR actively struggles for the implementation of the Budapest appeal of the Warsaw Pact states on reducing armed forces and conventional arms in Europe by 25 percent in the early nineties.

All this was reflected in the USSR's package of proposals submitted at the Reykjavik meeting. It included constructive projects which are the most radical arms limitation projects in the whole history of Soviet-American talks. The balance of interests and connections and interdependence in the sphere of security on both sides were taken carefully into account.

That is the policy of the world's first socialist state. Those are the ethics of true humanism!

But we also ask ourselves how it could happen that the United States, having demonstrated a considerable degree of realism, accepted a number of the Soviet side's proposals, and displayed an understanding of many of the questions under consideration, ultimately let this historic opportunity go, I think the answer must be sought in the sphere of the subjective and objective factors under pressure from which the Washington administration usually inclines toward negative positions in key areas.

It was again confirmed that the range of its political and diplomatic maneuvering is still too subject to the interests of circles of the military-industrial complex, who see before them the specter of fat profits and state-guaranteed long-term orders and who are oriented toward the new technologies for "Star Wars." This aspect, along with the efforts of extreme reactionary imperialist circles which seek to achieve military superiority and dictate their own terms to the "rest of the world" from a position of strength, is evidently the spearhead of the tremendous pressure under which the present U.S. Administration finds itself. It was this negative influence which prevailed when the decision was taken. Nor has that influence weakened now, after the meeting. This is indicated both by the open desire to misrepresent the course and results of Reykjavik, and by the regrouping of forces in the camp of the opponents of detente in connection with attempts to stifle the indications of a change for the better in international relations.

The Reykjavik meeting is also a lesson in the entire concept of modern-day diplomacy. The USSR's political will ensured that the meeting had important content oriented toward key areas. This made it possible to concentrate the dialogue on areas of fundamental importance. The world saw the nobility of the Soviet side, which takes full account of its partner's interests; the world saw its understanding of the exceptional importance of the moment, its respect for the main points of the talks, and its energetic capacity for eliminating all trivia and taking no heed of secondary facts which retard progress.

In a word, mankind witnessed a new approach, a new way of thinking, which is required by the realities of the nuclear and space age.

We value everyting that was undertaken by the Soviet Union's representative in the Icelandic capital for the sake of peace and security, in the interests of the socialist countries and all mankind. We regard the Soviet-American summit meeting as an event of paramount significance furthering the process of reevalutating old and no longer valid viewpoints.

There is also sympathy for the fact that the USSR, being sincerely convinced of the necessity and possibility of a further intensification of efforts to achieve normal relations in the spirit of coexistence between countries with different social systems, does not give way to pessimism or lose restraint. On the contrary, since the meeting in Iceland it has continued to develop tremendous peacemaking efforts and to step up political dialogue in all spheres, at all levels. Here the Soviet Union operates realistically on the basis that there are no insoluble problems, there are only those that have not been resolved over the years.

It is also of extremely great significance for us that in his subsequent speeches M.S. Gorbachev again raffirmed that the USSR's proposals remain in force, as does everything that was said to substantiate and develop them. We are inspired by the valuable lessons of Reykjavik. For Czecholsovak foreign policy and diplomacy, they are an important confirmation that even in the present complex international conditions it is possible and necessary to formulate bold new approaches which meet the interests of all sides and open up prospects for success.

This is the creed with which we approach all the tasks awaiting us in the sphere of bilateral relations and at multilateral forums. First and foremost this applies to the all-European process and the strengthening of security and cooperation in the spirit of the principles and provisions of the Helsinki Final Act. We prepared with a sense of great responsibility for the Vienna meeting of representatives of the states which signed this agreement. [paragraph continues]

We have formulated our own initiatives, which are designed to widen still further the field of cooperation within the framework of the Helsinki process.

Together with the fraternal countries, as was stipulated at the Bucharest session of the Warsaw Pact Foreign Ministers Committee, we wish to make the greatest possible contribution to ensuring that the important meeting in Vienna is constructive and that it adopts a document which will help to normalize the political climate and promote the return to detente. We would like all the positive lessons of Reykjavik, and first and foremost the proven good experience of "direct movement" toward the main objective, to be applied to the maximum extent in Vienna.

This would undoubtedly serve the most important aim of the Vienna forum: the drawing up of the mandate for the second stage of the Conference on Confidence and Security Building Measures and Disarmament in Europe with a view to ensuring that talks are held within its framework on substantially lowering the level of armed forces and conventional arms and on other measures to strengthen confidence and security on the continent.

Zhukov Assessment

PM141609 Moscow PRAVDA in Russian 13 Nov 86 First Edition p 5

[Yuriy Zhukov "Political Observer's Notes": "Reykjavik, One Month On"]

[Text] It is now one month since the day the Soviet-American working summit ended in Reykjavik. It was an important event in international life, since the new compromise proposals put forward by the Soviet side made agreement possible on such very important questions as the reduction and subsequent total elimination of nuclear armaments.

Now the U.S. side is doing its utmost to disown the accords reached in Reykjavik. But it has long been known that a word is not a bird, once it takes flight it cannot be captured again. Here, for example, are the actual words spoken by the U.S. President and recorded in Reykjavik:

"What I want to ask is do we intend -- and I believe it would be a very good idea -- to eliminate by the end of two 5-year periods ALL [word published in boldface] (my emphasis -- Yu. Zhukov) explosive nuclear devices, including bombs, battlefield weapons, cruise missiles, submarine armaments, intermediate-range weapons, and so forth? If we agree that all nuclear armaments should be eliminated by the end of a 10-year period, we can pass this accord on to our delegations in Geneva for them to prepare a treaty which you could sign during your visit to the United States."

An accord was reached, but... it was called into question because the U.S. side wanted at all costs to secure agreement to the elimination of the ABM Treaty after a 10-year period during which nuclear weapons would be destroyed, while, in the meantime, the U.S. side would have created space weapons giving it military superiority.

All this is common knowledge, you might think. But it has to be reiterated, since for a whole month now Washington has been waging a campaign of disinformation on a truly large scale aimed at distorting the results of Reykjavik and disavowing accords that have already been agreed. U.S. leading figures keep on saying that they agreed only to eliminate ballistic missiles, and that is not for certain either.

This u-turn, unprecedented in the history of diplomacy, away from the accords reached at the summit, is easily explained. The idea of creating a nuclear-free world does not meet the interests of the U.S. military-industrial complex -- the real boss in Washington.

There is no other way to explain the chain of ominous events over the past month: Provocative actions against the Soviet Embassy in the United States; the resumption of the "visa war"; the ostentatious declaration of the intention to raise the level of nuclear armaments above the level established by the SALT II Treaty; the further kindling of dangerous regional conflicts; interference in Iranian internal affairs and so forth.

Against the background of all this -- obstinate attempts to rub out what the sides arrived at in Reykjavik and replace the accords reached there with a new package of questions that were allegedly discussed, but which have been pared down to the point where they are unrecognizable. Washington's "adaptation" essentially envisages Soviet unilateral disarmament measures, while guaranteeing the United States the "right" to military superiority.

What do these gentlemen intend? Do they not realize that at this time such plans are bound to fail! The results of Reykjavik cannot be rubbed out. After all, the peoples have seen that the ideas of eliminating nuclear armaments and preventing the transfer of the arms race to space are realistic and feasible.

"From this vantage point," M.S. Gorbachev said on television on 22 October, "it is possible to see new prospects for the solution of problems which we find so acute today -- I am thinkng of security, nuclear disarmament, prevention of new laps of the arms race, and a new appreciation of the opportunities on offer to mankind."

These opportunities are more obvious now than ever before and the broadest public circles all over the world are joining the struggle to realize them. The peoples of the socialist countries are in the vanguard of this struggle. As was stressed by the participants of the working meeting of leaders of the fraternal parties of the CEMA socialist countries, which ended in Moscow the day before yesterday, it is necessary to step up joint efforts in the interests of the struggle to eliminate nuclear and reduce conventional armaments and to strengthen peace and international security.

We are now joined in this struggle by the peoples of the developing countries and the broadest circles of fighters for peace in the capitalist states, and the success of the congress of peace-loving forces in Copenhagen as a vivid reminder of this. The Copenhagen appeal which was engendered there for the elimination of nuclear weapons, for the nonmilitarization of space, and for the banning of nuclear tests is becoming a stimulus for the mushrooming mass action in the struggle for the attainment of these goals.

PRAVDA EDITORIAL ON CEMA LEADERS' MOSCOW MEETING

PM171223 Moscow PRAVDA in Russian 15 Nov 86 First Edition p 1

[Editorial: "Unity, Cohesion"]

[Text] World socialism is strengthening and developing. The community of socialist states is advancing beneath the sign of the further strengthening of unity and all-around cooperation, demonstrating the great vitality of the new system and its ability to solve increasingly complex tasks.

The CEMA countries have scored impressive successes in all spheres within a brief historical timespan. The socialist community today is the most authoritative force of our time, the most consistent champion of healthy, peaceful, and democratic principles in international relations, and the main obstacle in the way of imperialist reaction's hegemonist aspirations. The fraternal countries' peoples look to the future with confidence and optimism.

Life does not stand still. New large-scale tasks for accelerating each CEMA country's socioeconomic development have been set by the fraternal parties' recent congresses. Growing importance attaches to collective actions by the community's states both in the area of economic mutual relations and in the struggle for the strengthening of international security. There is corresponding growth of the importance of such a form of cooperation between ruling Marxist-Leninist parties as consultations of their leaders on an equal and comradely basis and summit meetings.

The working meeting of the leaders of fraternal parties from the CEMA socialist countries, which was held in Moscow, was a major event which generated broad interest all over the world. In a businesslike, frank, and benevolent atmosphere they discussed fundamental problems concerning the further development and improvement of cooperation between socialist states and possibilities to reveal as fully as possible the creative potential of the new society and elaborated a uniform line on the most important domestic and international questions.

Having discussed the outcome of the meeting at its 13 November session, the CPSU Central Committee Politburo expressed gratification at its results, which are exceptionally important for accelerating the fraternal countries' development and raising the level of their cooperation in all areas. It was pointed out at the Central Committee Politburo session that this is inseparably linked with the further development of relations between socialist countries on the basis of the principles of proletarian socialist internationalism, equality and mutual responsibility, mutual advantage and mutual assistance in the economic area, the combination of each member's initiatives with a coordinated line in international affairs, the utmost expansion of the exchange of experience in socialist building and its joint generalization. The leading organs of other fraternal parties from CEMA countries are making a high appraisal of the meeting's outcome.

Following tradition, the leaders of ruling Marxist-Leninist parties devoted much attention to the range of national economic problems and tasks concerning the further deepening of economic, scientific, and technical cooperation. In this connection the participants in the meeting noted the topicality of implementing the package of measures for deepening socialist economic integration and utilizing new and advanced forms of economic mutual relations.

The tasks on the agenda include the improvement of CEMA's activity, the transition to in-depth production sharing, and the enhancement of the role played in this by direct producers by developing direct ties between associations, organizations, and scientific research institutions in fraternal countries and creating joint collectives of scientists and specialists and joint enterprises.

The pooling of efforts is necessary for the fuller utilization of the impressive industrial, scientific, and technical potential accumulated during the years of socialist building, for the introduction of new and most advanced technologies, and for ensuring the socialist countries' technical and economic independence of the capitalist world.

The priority avenues of the Comprehensive Program for CEMA Countries' Scientific and Technical Progress Through the Year 2000, which was unanimously adopted at the end of last year, occupy a central position in the process of establishing new and promising forms of interaction. It was noted at the 42d sitting of the CEMA Session held in Bucharest recently that this program provides the basis for the implementation of large-scale international collaboration in science and production. This program, already expanded in a system of interconnected agreements and treaties, has become the basis of scientific and technical collaboration within the community framework, one of the main organizational principles for the further deepening and development of socialist economic integration.

The community countries are a united and equal family of fraternal peoples helping one another. In accordance with the economic summit conference directives, the European CEMA states are rendering assistance to Vietnam, Cuba, and Mongolia in the accelerated buildup of their national economic potential with a view to equalizing the level of development of all states belonging to the socialist community. This is a vivid reflection of the great principles of international solidarity.

The acceleration of the fraternal countries' assertive advance along the path of building the new society and the growth of their peoples' material prosperity help to enhance the international prestige of world socialism and its peace-loving foreign policy.

To ensure reliable international security -- this is the key principle with which the history of real socialism began 69 years ago. In today's international situation, when the world finds itself on the brink of thermonuclear catastrophe through the fault of imperialist reaction, it is socialism that mainly expresses mankind's aspirations for the preservation of peace. It is natural that the exchange of opinions on topical questions of the contemporary international situation occupied an important position during the working meeting of fraternal parties' leaders. The community states pursue a coordinated peace-loving policy in the world arena. Our party, as was emphasized at the CPSU Central Committee Politburo session, highly values the fraternal parties' support for the Soviet Union's principled stance in Reykjavik, and deems it important to further build up the socialist countries' joint efforts in the struggle to eliminate nuclear weapons and reduce conventional arms and strengthen peace and international security.

By no means easy tasks -- tasks which are historic in the full meaning of the word -- face the socialist community countries and their ruling Marxist-Leninist parties in both domestic economic and international policy. Their cohesion and unified actions on all fronts of the struggle for peace and social progress provide a guarantee of the successful solution of these tasks.

RADIO LIBERTY, RADIO FREE EUROPE EXAMINED

LD191109 Moscow in English to Great Britain in Ireland 2000 GMT 18 Nov 86

[Program entitled "European Reporter" presented by Nikolay Gorshkov, with recorded statements by Ben Wattenberg, vice-chairman of the board of Radio Free Europe and Radio Liberty, and Oleg Tumanov, former acting editor-in-chief of the Russian service of Radio liberty; Tumanov speaks in Russian with superimposed English translation]

[Excerpts] [Gorshkov] Hello. We devoted the last two programs in this series to the Vienna meeting of representatives of the countries that took part in the Helsinki conference. In Vienna now they are reviewing all the three baskets of the Helsinki Final Act. The most controversial being that covering East-West humanitarian cooperation. Much has been done along these lines, yet there remains obstacles too. Say all Europeans, whatever their country, champion a wider flow of information about each other. We share this view, though quite often the information channels are used for dubious purposes. Here's an example if you wish. Respecting pluralism of views I will be talking to two knowledgeable persons on the topic. First is Ben Wattenberg, who will identify himself.

[Wattenberg] Yes I am the vice chairman of the board of Radio Free Europe and Radio Liberty, both. I am a Democrat, and I am vice chairman, there is a Republican President, so there is a Republican chairman. We split it, Washington D.C. (?right), the capital. [sentence as heard]

[Gorshkov] And here now is Oleg Tumanov to identify himself.

[Tumanov] I worked at Radio Liberty for about 20 years, the last 18 months I was the acting editor in chief of the Russian service at that station. For the past 5-7 years, I had access to materials of (?various) secret nature and attended conferences of the top leaders of both radio stations. I read files, instructions of the U.S. State Department and instructions of the Central Intelligence Agency, the CIA. I amassed all these materials and brought them along to Moscow. For this reason, I will be speaking about something that is well documented.

[Gorshkov] Now some brief extra information. Radio Liberty and Radio Free Europe are stations the American set up right after the war and they have been broadcasting only to Eastern Europe. [passage omitted] So what is the broadcasting concept of this American station, say of the programs beamed to Poland or other East European countries?

[Wattenberg] Well, yeah I am Ben Wattenberg and I am the vice chairman of the board of Radio Free Europe and Radio Liberty, and to answer your question about how we explain the concept of broadcasting to Poland, er, I would answer this: It is our belief that the Polish press as well as the press in the Soviet Union and throughout Eastern Europe where there are communist regimes, is a press that only expresses the views of the government, not necessarily of the individual people.

[Gorshkov] Since Mr. Wattenberg has diverted from the subject at once I will permit myself a slight disgression too. I don't know why this executive official of Radio Liberty and Radio Free Europe can assert that our press reflects only the views of the Soviet Government.

As a matter of fact, taking just the past week the Russian Federation daily, SOVETSKAYA ROSSIYA, carried in its millions of copies a long article by the director of the U.S. Arms Control and Disarmament Agency, Kenneth Adelman and the Soviet television network showed without any cuts a 1-hour Phil Donahue show from the United States. This popular TV host in the U.S. presented a group of Americans who talked via satellite to their compatriots, a family of the Lokshins who have asked for political asylum in the Soviet Union. [passage omitted] But then my digression is too long. Here is Ben Wattenberg who obviously does not express views of the Soviet Government.

[Wattenberg] We are trying to do, not only in the Polish service of Radio Free Europe, but in Hungary, in Romania and Bulgaria and the Soviet Union, we broadcast in Ukrainian, in Kazakh to the Turkmen, to the ...[Wattenberg hestitates] in Radio Free Europe to Estonia, Latvia and Lithuania, is to say, as best we can, what would a free radio or free set of radios in Poland be broadcasting if there was press freedom in Poland. Now we know, we saw for example that tens of millions of Poles joined the Solidarity trade union movement, voluntarily, yet when Solidarity speaks, Radio Warsaw does not report it. We do report it, in Polish to the Polish people. We believe we report it accurately and objectively as news. So we believe that the stations of Radio Free Europe and Radio Liberty, as best we can, represent surrogate stations in place of the free stations that are missing in those countries. We do the best we can to replace that. The Soviet Government, and some of the governments of Eastern Europe not all of them, we feel, are afraid of the truth of diversity (?in) a broad spectrum.

[Gorshkov] In a little while we'll give the floor to Oleg Tumanov too. In the meantime I would lke to set things straight about some facts since Mr Wattenberg, hard as he may try to supply the facts, treats facts ambiguously. In 1981, that is at the peak of Solidarity's activities in Poland, the leaders of that organization were given special time on the air at government radio and TV stations. Solidarity officials prepared their programs quite independently, without any state censorship and went on the air nationwide to declare that in time they would be hanging communists and their sympathizers on lamp posts. It would seem that was the freedom the leaders of Radio Liberty and Radio Free Europe wished to have and to follow through the logic of Mr Wattenberg the station in Munich could wind up its operations. But for some reason, exactly at that time the Radio Free Europe broadcasting time in Polish was increased and was almost round the clock.

If Mr Wattenberg is a pluralist to the end he must agree with my view. Speaking about the broadcasting concept for Eastern Europe, the vice chairman of Radio Liberty and Radio Free Europe was insincere and was concealing something. For this reason we are simply forced in search for the truth to turn to another competent source. Here is Oleg Tumanov.

[Tumanov] Both in the Polish section of Radio Free Europe and in the Russian section of Radio Liberty, there is a coverage of Soviet-Polish relations. The following propaganda scheme is imposed. The USSR does not give sufficient aid to Poland, but Poland in its turn doesn't wish that aid. Apart from that, the print shop of Radio Liberty and Radio Free Europe published in the past leaflets that were later circulated in Poland. It also printed various minicopies of newspapers that were delivered to Poland by various channels. That is, printed matter from Radio Liberty and Radio Free Europe was used.

[Gorshkov] And were there any indications as to where the matter was printed?

[Tumanov] No, none at all. When Radio Liberty and Radio Free Europe print such types of materials, they leave no traces. Only the printing facilities of the two stations are used.

[Gorshkov] Well, does this mean that these materials were passed off for original Polish printed matter?

[Tumanov] Of course, it was plain there was an underground print shop in Poland that specialized in such materials. But then the entire propaganda effort against Poland was based on a directive right from Washington in such a way so as to stimulate the Poles to refusal to stay within the socialist community. All was done to drive a wedge between Poland and the other socialist countries.

[Gorshkov] How was that done?

[Tumanov] Well, most broadcasts were devoted exactly to Poland. Among the entire information only most the most negative pieces were selected -- pieces sharply critical to the Soviet Union and to the Polish Government. A vast stream of lies and misinformation went on the air. Much was simply invented, and much was prepared by the people who worked at the radio station in the Polish section. That is, in that case a sort of carte blanche was given to lie as much as they could.

[Gorshkov] Now what would Ben Wattenberg reply?

[Wattenberg] We have a rule that we don't report anything unless there are two verifiable sources. Now that is in the news section of our broadcasts. We segregate -- there's news and there's commentary. The news we believe is as objective and truthful and accurate as it can humanly be possible. Now everybody makes mistakes -- we know we make mistakes. We try not to -- every journalist makes some mistake.

[Gorshkov] I can counter this claim, not with a view but with a document. From the secret instructions worked out in Washington, specially for Radio Free Europe, a caption:

[Unidentified voice] How to make propaganda radio programs.

[Gorshkov] Point 22.

[Unidentified voice] Never mention facts that can damage your cause; simply skip them. You don't have to cover both sides of one and the same issue.

[Gorshkov] Point 47.

[Unidentified voice] Accuse, accuse, and accuse again. This strategic method is the most effective type of propaganda.

[Gorshkov] Point 48.

[Unidentified voice] Spread rumors and hearsay, but never call them so.

[Gorshkov] Point 51.

[Unidentified voice] Never use information for its own sake. You aren't interested in having well-informed listeners in the full sense of the word; you want to have listeners informed according to your intentions.

[Gorshkov] Now how could Mr Wattenberg possibly account for the ties between Radio Liberty and Radio Free Europe and the CIA?

[Wattenberg] Well, very simply. There is no relationship. Nobody in the CIA is working in Radio Free Europe or Radio Liberty.

[Gorshkov] And now Oleg Tumanov on the same topic.

[Tumanov] CIA men were present in all the administrations in charge of both radio stations. The situation is still the same today. To be specific -- take the Russian service. The director of Radio Liberty, Colonel Nikolay Vaslef, is a member of the American Army intelligence service. The director of the Russian service of that station, Konstantin (Drovstoy) A major, is also a member of the American military intelligence service specializing in methods of psychological warfare againt the USSR. His deputy, Nikolay Petrov, is a CIA agent. He maintains ties with the U.S. Consulate in Munich, via which all the directives arrive at Radio Liberty and Radio Free Europe from Washington, and from the CIA headquarters in Langley. Actually, the CIA and American secret services fully control the personnel policy of the station. They choose the people they [as heard] do the vetting. The CIA controls the spending of the station's budget, allocated under cover by the U.S. Congress.

[Gorshkov] And how can one try to formulate the role of Radio Liberty and Radio Free Europe play in Europe in general?

[Tumanov] I think that both stations in view of the Helsinki process, are playing a rather destructive role. The point is that these stations have seized at certain quite definite points taken out of the Helsinki accords, and threat them only for purposes of hostile propaganda. Reunification of families, freedom of speech, exchange of information -- these are the things taken out for propaganda, or for playing them up. As for what is probably the main thing in the Helsinki accords -- and I mean the need to build a peaceful Europe existing along neighborly peaceful relations -- this falls out completely from the field of operations of both stations.

[Gorshkov] Does that mean there is actual speculation on the Helsinki conference documents, and that the work of Radio Liberty and Radio Free Europe is aimed against the all-European process?

[Tumanov] That's exactly what I wanted to say. [passage omitted]

PETROVSKIY ADDRESSES PRESS CONFERENCE AT UN

LD192347 Moscow TASS in English 2317 GMT 19 Nov 86

[Text] New York November 20 TASS -- The Soviet delegation to the 41st session of the United Nations General Assembly held at the United Nations headquarters a press conference devoted to the message of the USSR Supreme Soviet to the parliaments and peoples of the world. It was stressed during the press conference that the USSR does not withdraw any of the proposals it submitted in Reykjavik, the proposals aimed at the elimination of all nuclear weapons. The Soviet delegation to the talks in Geneva has been instructed to be guided by these proposals in their totality. The message of the USSR Supreme Soviet expresses the confidence that there is room for every state in the common effort to deliver mankind from nuclear burden, the deputy head of the USSR delegation to the 41st session, V. Petrovskiy, said.

REAGAN BRIEFS PRESS ON IRAN ARMS SHIPMENTS

LD200852 Moscow TASS in English 0842 GMT 20 Nov 86

[Text] Washington November 20 TASS -- By TASS correspondent Nikolay Turkatenko:

U.S. President Ronald Reagan opted for a most decisive tone to open his news conference Wednesday to explain a scandalous affair of arms shipments to Iran, which has come to light despite the veil of secrecy clouding it, to the American people.

He did not name the concrete persons in Iran, who had been receiving U.S. weapons, and said only that the arms dealings were with "individuals".

The President repeated earlier claims that the shipments had been insignificant and only included "defensive weapons" and "spare parts" and that they had been meant to improve relations with Iran and even, which is altogether ludicruous, to bring an end to the Iran-Iraq war.

He admitted that there had been serious disagreements within his administration on arms deliveries to Iran and that the final decision on the matter had been taken personally by him.

Hoping to bring down the wave of anger which has risen both in the United States and many other countries following the exposure of the U.S. Administration's attempts to pour more oil into the flames of the Iran-Iraq war and thus further its own hegemonist ambitions, as well as those of its "strategic ally," Israel, in the Middle East, Reagan said: "I have directed that no further sales of arms of any kind be sent to Iran".

But he did not refute the fact that the January 17 directive he had signed to authorize the "secret initiative" to Iran had not been rescinded and, as White House spokesman Larry Speakes said as recently as November 17, remained technically in effect.

The attending newsmen, however, were clearly not satisfied with the President's explanations and they pelted him with questions about the real goals of the "secret initiative" and about the chief executive's motives to circumvent Congress and violate his own proclaimed "strict neutrality" policy on the Iran-Iraq war and the embargo on arms sales to the warring sides.

They also asked him if the United States had sanctioned arms shipments to Iran by other countries, most notably Israel.

That was where the President began to stumble. He flatly denied, for example, that the United States had had anything to do with supplies of U.S. arms to Iran by other countries.

He was immediately asked to confirm if that included Israel, as even White House Chief of Staff Donald Reagan had admitted that that country had sent a batch of weapons to Iran in September 1985.

The President in reply repeated his previous assertion emphatically again.

His effort to cover up the truth was so obvious that the newsmen raised their brows. They did not pass unnoticed by the President's aides who took emergency measures to clear the matter up.

As soon as the news conference was over, the White House issued a corrective statement to prevent any "misunderstanding" of one of the President's answers, which conceded that "there was a third country involved in our secret project with Iran."

There was an openly sarcastic response to Reagan's additional explanation of the reasons behind the arms shipments to Iran, according to which the U.S. goals was "to get Iran back to where it once was, and that is in the family of democratic nations."

If the Iranian shahdom where the secret police SAVAK maintained countrywide terror under the guidance of U.S. advisers was "in the family of democratic nations", this speaks volumes for the kind of "democracy" the United States is trying to force on other peoples by meddling in the affairs of not only Iran but also many other countries such as Nicaragua, Angola and Afghanistan, which the President urged to "save" in his remarks at the Ethics and Public Policy Center the day before the news conference.

The President showed confusion also on other issues. He claimed, for instance, that, supporting Contras, the United States was not attempting "overthrowing the government" of Nicaragua, although previously both Reagan himself and other administration officials had made no bones about admitting that the U.S. goal was to secure a "removal" of the Sandinista government.

The President misrepresented facts also when replying to a question about the Soviet-U.S. summit meeting in Reykjavik. He claimed that the sides there had agreed on the need of "eliminating all strategic nuclear missiles in a five-year period."

It is well-known, however, and the President himself confirmed this earlier, that what was really discussed in Iceland was the need to eliminate all strategic nuclear weapons altogether in this period.

Asked if his administration was going to do anything to help "the growing number of hungry and cold (homeless) people" in the United States as a matter of urgency, the President only promised to "look into it".

"Sir, if I may," one of the attending correspondents remarked during the news conference, "The polls show that a lot of American people just simply don't believe you."

There is also one more noteworthy fact. Ahead of the President's news conference THE WASHINGTON POST published a number of questions addressed to him by various people in the hope that the White House chief in his replies would provide answers also to them.

An editor of the Minnesota paper SAINT PAUL PIONEER PRESS, Deborah Howell, asked, for example, how the President could expect to restore the Americans' trust in him by telling them untruths.

The news conference has shown that the President prefers shunning this kind of question.

REAGAN SPEAKS AT ETHICS, SOCIAL RESEARCH CENTER

LD192255 Moscow Television Service in Russian 1800 GMT 19 Nov 86

[From the "Vremya" newscast; Video talk by political observer Vladimir Tsvetov]

[Text] U.S. President Reagan has made a sharply anti-Soviet speech at the Ethics and Social Policy Research Center. Here is political Observer Vladimir Tsvetov.

[Tsvetov] Ronald Reagan must have decided to gather together all the slander, insinuations, and abuse against the Soviet Union and its domestic and foreign policies and ideology that he has allowed himself to utter throughout the whole of his presidency, and to shower this filth upon an audience at one time and in one place. Inasmuch as the President only repeated what he has already repeatedly been saying -- about the absence in the Soviet Union of freedom and bread, science and moral values -- there is no sense in dwelling on this. The almost word-for-word repetition of the hypocritical phrases about the U.S. mission to liberate from and eradicate evil, which were contained in the President's speech, also does away with the need to reproduce them.

One ought, I think, to point out the reason for this anti-Soviet speech and the time chosen for it. The further one gets from Reykjavik the clearer the world public can see the administration's wish to depart from the understanding achieved in the Icelandic capital. To depart in English without taking one's leave means to reveal one's political and moral unpreparedness for conducting serious negotiations on nuclear disarmament. One has to conclude that Washington was intent on departing by loudly slamming the door. This loud slam was indeed to be heard in the President's speech, and by this loud slam the President is indeed attempting to stifle the indignation in the United States, among the U.S. allies, and in the Arab world which has arisen over the Iranian adventure undertaken by the administration.

The timing of the speech was also chosen in a calculated way. The President and those around him feel that it is time to meet those lavishly issued promissory notes, on which Reagan has written the words: peace, talks, and nuclear disarmament. One automatically finds oneself wondering whether his present speech is not evidence of his intention to declare the promissory notes invalid. The great Goethe said that the person failing to get into the first buttonhole would not succeed in buttoning himself up. Having failed to fasten on himself the toga of the peace-lover, the President lost the toga in front of the audience that had gathered at the Ethics and Social Policy Research Center.

Kornitov Commentary

LD191917 Moscow TASS in English 1857 GMT 19 Nov 86

["Lies, Lies, Lies -- And Nothing But Lies" -- TASS headline]

[Text] Moscow November 19 TASS -- By TASS political news analyst Yuriy Kornilov:

The higher the tidal waves of mass protests in the world against the dangerous militarist course steered by the United States, the more vigorous and subtle the ruling quarters in Washington in trying to smear and blacken the Soviet Union's peaceful policy and distract the attention of the international public with the help of propaganda discourse concerning "the allegiance of the U.S. to the ideals of freedom."

The latest evidence of that is a verbose speech made by the U.S. President at the Ethics and Public Policy Center.

It would evidently require a modern computer to estimate how many times Ronald Reagan used the word "freedom" in his remarks. But the more insistently the President repeated that word the more plain it became that nothing but insinuations, falsehoods and lies stood behind his rhetoric.

Oddly enough, freedom is the favorite topic of those in Washington who have turned the United States into a real locomotive of militarism, those who, squandering more and more billions on the arms race, trying to project it to space and blocking disarmament talks, are pushing the world to an abyss of nuclear self-destruction and are increasingly jeopardizing a fundamental right of every human being -- the right to life.

Freedom and efforts to "extend" its boundaries are the topic of those in Washington who have made the stake on strength and state terrorism the basis of their foreign policy, who are trying, by means of political pressure, economic leverage and blackmail -- and not infrequently with the help of an overt armed intervention -- to extend domination over sovereign countries and peoples.

In actual fact the case in point is not the "support for freedom" but a vigorous U.S. support for most unpopular regimes, for most reactionary and bloodthirsty cliques -- everywhere from South Korea to Chile.

The case in point is the kind of "freedom" which the U.S. is trying to bring by force to the soil of free Nicaragua with the hands of the "contras", those hirelings armed with American weapons.

The kind of "freedom" which Washington brought to Grenada, occupied by it, on the bayonets of the U.S. Marines.

Freedom is also the topic of those in Washington who set up in their own country a system of legalized state arbitrariness. Hardly a week passes without reports coming from the United States about brutal persecution and reprisals against everyone who has been implicated in or at least suspected of "dissent".

According to reports appearing in the American press, the Federal Bureau of Investigation now amassed files on 34 million citizens, virtually the entire adult population of the country.

And all this demagogy -- it is impossible to find any other word -- is liberally laced with slander and lies directed against the Soviet Union, as well as with assurances that the United States is striving for nothing else than "headway" at the Soviet-American disarmament talks. As if it is possible to achieve success at such talks and simultaneously try to attain the status of military superiority with the help of SDI. As if it is possible to speak in earnest about "progress" in Soviet-American relations and at the same time to call openly for interference in the affairs of the sovereign socialist countries.

"What does not look good, even by the charitable standards of political discourse, are the liberties he (Ronald Reagan) takes with the truth," THE WASHINGTON POST wrote, commenting [on] the White House's stand on the results of the Reykjavik meeting. "And it is sad to see a President concoct an important fallacy and call it a fact."

It is indeed sad. Especially when one anti-Soviet fallacy in Washington is piled on top of another -- with no end in sight.

WEINBERGER PRINCIPLES OF NEGOTIATION DERIDED

PM191651 Moscow IZVESTIYA in Russian 17 Nov 86 Morning Edition p 2

[Melor Sturua article: "Caspar Weinberger's 'Four Principles'"]

[Text] A few days ago Defense Secretary Caspar Weinberger spoke at a Women's National Republican Club in New York. What did the Pentagon chief talk about the the Republican Amazons? According to his own words, his speech was devoted to "the way to conduct talks with the Soviet Union." It cannot be denied that this is an exceptionally topical theme since Washington's inability and unwillingness to conduct talks with the Soviet Union on the basis of equality and mutual security is one of the main reasons for the disarray in international relations today. With hindsight it is possible to say that Weinberger's speech was devoted to the diametrically opposed theme, namely how not to conduct talks with the Soviet Union.

Mr. Weinberger opened his speech on a somewhat anecdotal note, recalling the 1955 summit talks. "It was like this," Weinberger said. "President Eisenhower was coming to the end of an important speech. He had just put forward our proposal for 'open skies' when, suddenly, according to Eisenhower's words 'without any warning, simultaneously with my closing words the most deafening peal of thunder which I had ever heard rang out,' and the lights went out in the hall. After a short while the lights came back. Clearly, struck by this sign of providence, or possibly because he took this incident to be a clear demonstration of U.S. technical superiority, the Soviet chairman replied that his government was interested in our proposal!"

Telling this story to the Republican Amazons, Weinberger added with feigned regret: "We have not always been as successful as this." However in this fable of Weinberger's, morals fare as badly as facts. Let me remind readers that the plan for "open skies" pursued the aim of legalizing U.S. espionage. Despite the "deafening peal of thunder", the Soviet Union rejected this provocative plan. (Incidentally, the correctness of the Soviet stance was graphically and convincingly borne out by the U-2 spy plane affair. That indeed was a bolt out of the blue!)

As a second example of the ability to conduct talks with the Soviet Union Weinberger cited President Reagan's "No" in Reykjavik. Both in the case of Eisenhower, "the thunderer" and Reagan, "the negator" we have classical examples of the negative way of conducting talks with our country. It was precisely these two opening cords which set the tone for the rest of Weinberger's speech.

In it, the head of the U.S. military department formulated -- to cite his own words -- the "basic rules of the game" or the "four principles," by which the Reagan administration is guided "in talks with Moscow." Let us take a look at Mr. Weinberger's "four principles" one by one.

Principle Number One. "We must not," Mr. Weinberger said, "take on trust the idea of moral equivalence, that is the idea that there is no difference between the moral standards of the United States and the Soviet Union." Mr. Weinberger may be surprised by this, but we could not agree more with him on this point. There can be no mention of moral equivalence between the land of the Soviets and the United States. Our countries have different sociopolitical foundations and different ideals. What moral equivalence can there be between the world's first socialist state where exploitation of man by man has been abolished forever and the world's gendarme! Incidentally, the example cited by Weinberger confirms this, but by no means in the manner which he intended. He compares U.S. aggression against Grenada with the internationalist assistance which we are giving to Afghanistan. The Pentagon chief has a short memory. Our troops are in Afghanistan at the invitation of that country's legitimate government whom they help in the struggle against the counterrevolution and external aggressive forces. The United States invaded Grenada, toppled that country's legitimate government, and restored a counterrevolutionary regime there placing power in the hands of its puppets.

Indeed, the moral and political principles which form the basis of our systems are not only not equivalent, they are diametrically opposed. However, guided by new, rather than Neanderthal thinking, we must admit that there is a sphere which offers scope for talks. It is the preservation and consolidation of peace. In our age, the nuclear-space age, it is no longer possible to resolve moral and ethical disputes or sociopolitical contradictions by means of arms. The civilization's self-destruction is too high a price to pay for this. In conducting its affairs in the international arena and especially in talks with the United States, the Soviet Union is guided precisely by this new way of thinking. Geneva and Reykjavik are convincing evidence of this.

Citing Sun Tzu, the ancient Chinese strategist, Weinberger passed on to the second principle. Cutting out Weinberger's verbiage, this principle could be described as the "position of strength" policy. Interpreting, or rather turning the facts of international life upside down, Weinberger claims that it was only the "position of strength" policy which forced the Soviet Union to the negotiating table. Yet it is well known that it was the Soviet Union which was the moving force behind all the Soviet-American summits, including the latest one in Reykjavik. It did this not in deference to Washington's strength, but because it heeds the voice of reason, it heeds the demands of the peoples thirsting for peace.

To speak to us in the language of force is wasting time. Even the distant predecessors of Mr. Weinberger came to realize this when they organized the intervention against young Soviet Russia almost 70 years ago. U.S. political leaders since then have had more than one occasion to see this for themselves. Fist law is not just immoral, it is also ineffective.

Here is Weinberger's Principle Number Three. This is how it is formulated: "We must remember that the decisionmaking system in the Soviet Union is very different from ours. There are no real elections and no public opinion in the Soviet Union." Again, as we can see, a half-truth is developed into complete lies. Of course, the system of decisionmaking in the USSR is different from that of the United States since their sociopolitical systems are different. But the Pentagon chief's subsequent arguments are nothing but well-worn anti-Soviet cliches. In this case they act like a boomerang. The Soviet leaders' foreign policy has the support of Soviet public opinion, of the people who demand peace, who demand general and complete disarmament. It is this support which gives our proposals their moral strength. What can be said about the link between Washington's policy and the demands of the U.S. public? I will confine myself to citing one highly illustrative example: As is known, the overwhelming majority of Americans favor an immediate ending of all nuclear tests. [paragraph continues]

What is more, so does the supreme legislative body, the Congress. Yet what is happening? Nuclear explosions in Nevada follow each other in quick succession and to the accompaniment of their reverberations and with their help new types of mass destruction weapons are being created and the militarization of space is under way.

Weinberger's second claim, the claim that all decisions in the Soviet Union are made by "two or three people," while in the United States it is all but a nationwide assembly that does the decisionmaking does not hold water either. What has been said before is sufficient to refute this claim. While in the Soviet Union the principle of government is collective leadership, in Washington it is secrecy. The latest eloquent example of this is "Irangate," the scandal about the secret U.S. arms deliveries to Iran. These deals were arranged by a small group of the military within the National Security Council in the White House. Neither Congress, nor the State Department, and nor even the Pentagon headed by Mr. Weinberger were told about them. Incidentally, "Irangate" is no exception. Let us recall the tragedy of Chile which was plotted in secret within the CIA, let us recall the undeclared wars against Nicaragua and Afghanistan, let us recall the notorious provocation in the Gulf of Tonkin when Congress was twisted around a little finger and made to sanction the bloody war in Vietnam.

Finally, Number four, the last of Weinberger's Principles: "We must always take a long-term view because it is much easier for the Russians to make long-term plans than it is for democratic countries." Here, too, a half-truth is used as bait in the trap of a big lie. Yes, indeed, our foreign policy is based on long-term planning; unprincipled zigzags and waverings are not characteristic of our policy. The highway of our foreign policy is the Leninist policy of peaceful coexistence, the policy of peace which dates back to the Decree on Peace and whose present-day version is embodied in M.S. Gorbachev's 15 January Statement, the Statement which points the way to a world without wars and weapons. What do we see in Washington? Unscrupulous and dangerous vacillation, lack of respect for existing accords, a desire to outwit and outmaneuver partners in talks for the sake of narrowly egoistic aims. Accords are reached, but treaties fail to be signed, treaties are signed, but they fail to be ratified, and so it goes on, and on, without end.

Weinberger needed the Fourth Principle in order to pour cold water on the optimistic realists who rightly believe that broad accords to strengthen peace are not just possible in principle but that essentially they are overdue. "Because Americans are prone to being impatient, the sometimes feel discouraged when talks drag on, and therefore there are always demands that agreements be signed," Weinberger declared. What about public opinion then to which he is so fond of referring? Public opinion always wants to go too fast, the Pentagon chief claims in an effort to justify Reagan's negative stance in Reykjavik and to deflect just criticism from his patron. What Weinberger means by the long-term outlook is a policy of procrastination and delays, a policy of shelving the most topical and vital problems of the present time, a policy of trying to justify the fatal passiveness of the U.S. Administration in questions of preserving peace and its feverish activity in the sphere of the arms race.

So this is what Caspar Weinberger's "Four Principles" look like. They are needed by Weinberger and his ilk merely to prop up the edifice of U.S. imperialist domination of the world which they are building. Way back, Weinberger failed in his attempts to join the Air Force because he had a fatal shortcoming -- he always came in to land much sooner than was necessary. Now the man whom they did not trust with an aircraft has been entrusted with the entire U.S. war machine. Weinberger's "Four Principles" are not just a dubious navigational aid, but also an extremely dangerous one.

FURTHER REPORTAGE ON BATMONH VISIT TO DPRK

Overflight Cable to Leaders

PM191607 Moscow PRAVDA in Russian 19 Nov 86 First Edition p 3

[TASS report: "From Aboard the Aircraft"]

[Text] Jambyn Batmonh, general secretary of the MPRP Central Committee and chairman of the Mongolian People's Great Hural Presidium, has sent a cable to Comrade M.S. Gorbachev, general secretary of the CPSU Central Committee, and Comrade A.A. Gromyko, chairman of the USSR Supreme Soviet Presidium, from aboard his aircraft. The cable reads:

"Flying over the territory of the Soviet Union en route for the DPRK on an official friendly visit, I send warm, cordial greetings to you and the great Soviet people on behalf of the Mongolian party and state delegation and myself personally.

"I express profound satisfaction with the steady development and deepening of relations of fraternal friendship and all-around cooperation between our parties and countries for the benefit of the Mongolian and the Soviet people and in the interests of the triumph of the cause of peace and socialism.

"I take this opportunity to wish you, dear comrades, and the entire Soviet people prosperity and much success in the implementation of the historic decisions of the 27th CPSU Congress in the further development of communist building in the USSR and in the struggle for a world without wars and for universal security.

"With fraternal greetings."

Korean-Mongolian Talks Open

PM191155 Moscow IZVESTIYA in Russian 19 Nov 86 Morning Edition p 6

["Mongolia-DPRK: In the Two Countries' Interests" -- IZVESTIYA headline]

[Text] Pyongyang November 18 TASS -- The Mongolian party and state delegation led by Jambyn Batmonh, general secretary of the Mongolian People's Revolutionary Party Central Committee, chairman of the Presidium of the People's Great Hural of the Mongolian People's Republic, arrived on an official friendly visit here. At Pyongyang airport the delegation was welcomed by Kim Il-song, general secretary of the Workers Party of Korea Central Committee, president of the republic and other Korean leaders.

On the same day Korean-Mongolian talks opened to discuss bilateral relations and topical problems of the contemporary international situation.

MPRP POLITBURO APPROVES MOSCOW MEETING RESULTS

PM201021 Moscow PRAVDA in Russian 17 Nov 86 First Edition p 4

[TASS report: "Meeting Results Approved"]

[Text] Ulaanbaatar, 16 Nov -- Having heard the report by J. Batmonh, general secretary of the Mongolian People's Revolutionary Party (MPRP) Central Committee and chairman of the Mongolian People's Great Hural Presidium, the MPRP Central Committee Politburo approved the results of the working meeting held in Moscow between the leaders of the CEMA socialist countries' fraternal parties.

In a resolution published here the MPRP Central Committee Politburo stresses the great significance of the businesslike, comradely exchange of opinions on the basic issues of expanding and improving cooperation btween the socialist community countries in all spheres which took place during the working meeting.

The resolution notes the great political significance of complete mutual understanding and unity of views among the fraternal party leaders on topical questions of the contemporary international situation. The working meeting in Moscow reaffirmed the full support of the socialist community countries for the principled stand taken by the Soviet Union in Reykjavik. The MPRP will continue to actively participate in the coordinated actions of fraternal parties and countries.

FAR EAST EXPERT VIEWS JAPAN'S MILITARY POLICY

LD192325 Moscow TASS in English 2145 GMT 19 Nov 86

[Text] Moscow November 10 TASS -- The Japanese ruling circles and monopoly capital endorse and support the United States global anti-Soviet course. Moreover, they implement on their own initiative measures which promote the build-up of the Armed Forces, the spread of their activity far beyond national borders. All this stimulates the arms race in the Asian-Pacific region, creates a source of war danger which is ever growing. Chief of a department of the Institute of the Far East of the USSR Academy of Sciences, V.N. Bunin said this in his speech at an international scientific conference "International relations and topical problems of ensuring peace and security in the Far East" which is underway here.

It is characteristic that Japan's military spending is growing at a high pace. These growth rates are double corresponding indexes of NATO countries. Japan rates sixth among capitalist countries for the absolute sum of appropriations for the Army.

The Japanese Government decided on the country's participation in the research work under the programmes of the U.S. Administration's Strategic Defence Initiative. This shows that the Nakasone cabinet follows in the wake of Washington's global plans in confrontation with the USSR. The Japanese prime minister expressed regrets about "the failure" of the talks in Reykjavik, even though Japan indirectly helped frustrate arrangements by joining in SDI.

Japan's joining in SDI means nothing other than considerable departure from the defensive principles of foreign policy that are proclaimed by the Nakasone government, the speaker said.

FURTHER REPORTAGE ON ALIYEV VISIT TO VIENTIANE

PM181445 Moscow IZVESTIYA in Russian 15 Nov 86 Morning Edition p 4

[TASS report: "At the Fourth Lao People's Revolutionary Party Congress. Comrade G.A. Aliyev's Speech"]

[Text] Vientiane, 14 Nov -- G.A. Aliyev, head of the CPSU delegation to the Fourth Lao People's Revolutionary Party [LPRP] Congress, member of the CPSU Central Committee Politburo, and first deputy chairman of the USSR Council of Ministers, has addressed the LPRP congress, where he was warmly greeted by those present. He said:

Esteemed Comrade Kaysone Phomvihan!
Esteemed congress delegates!
Comrades!

Allow me on behalf of the CPSU Central Committee, Soviet Communists, and all working people of the Soviet land to convey to you a fraternal, cordial greeting and wishes for the successful and fruitful work of the Fourth LPRP Congress.

Each forum of the socialist countries' fraternal parties is an important milestone on the path of developing world socialism, which is constantly increasing its strength and the convincingness of its example, and increasingly revealing the tremendous potential of the new social system. Despite the diversity of the specific conditions facing the ruling parties of the world socialist system's states, there is a common task -- to strengthen socialism's mighty material and moral potential and to actively consolidate the positions of the forces of peace and social progress. Thus, every grain of experience of socialist reorganization is important for our countries' communists, regardless of whether their party's membership runs into millions or just tens of thousands of fighters, and whether its history spans just years or many decades. That experience is our common, truly international asset.

The delegation of Soviet communists heard with great interest the LPRP Central Committee's political report delivered by Kaysone Phomvihan, general secretary of the LPRP Central Committee and prominent figure of the international communist movement. The report sums up the results of your party's multifaceted activity since the proclamation of the Lao People's Democratic Republic [LPDR], when the decisive steps were taken along the path of socialism. This important party document arms the LPRP and all Lao working people with a scientific strategy for further progress in the light of the specific nature, traditions, and distinctive characteristics of your country, a strategy developed on the basis of the common objective feature of building the new society revealed by Lenin and confirmed by the experience of world socialism.

With you, comrades, we take pride in your successes in carrying out profound socioeconomic transformations and in creating the foundations of socialism in Laos. These successes are inseparable from the leading and directing activity of the LPRP -- the Lao people's combat vanguard and voice of their aspirations and hopes.

The LPDR will soon be marking its 11th anniversary. On the historical scale that is a very short time, of course, but even during those years -- years of selfless labor and peaceful creation -- Lao working people have made impressive achievements in all areas of socialist building.

Thanks to the great efforts of the party and the industrious Lao people, and relying on assistance from its friends in the socialist community countries, the LPDR has been overcoming doggedly and step by step its former economic backwardness and has been achieving tangible successes in socioeconomic and cultural building.

I would particularly like to note the achievements of the agrarian policy that your party is pursuing. Soviet communists know from their own experience how complex and labor intensive the problem of the socialist reorganization of the countryside is. For that reason we cannot but rejoice at the fruitfulness of your work in this area and your appreciable successes. Your harvests of rice, justly called "the bread of Asia," which are increasing here year by year, and the solution of the problem of food self-sufficiency are the result of the active and consistent implementation of the course aimed at achieving cooperativization [kooperirovaniye] in the countryside, a course which is being skillfully implemented while observing the principle of voluntariness and respect of national traditions.

Your young republic has made notable progress in developing forestry, the power industry, the food industry, wood processing, mining, and other sectors of industry and in establishing transport, communications, and state and cooperative trade. Further economic growth and the improvement of the people's well-being will undoubtedly be promoted by the broader and more productive use of natural resources, in which Laos' ancient and beautiful land is so rich.

You have scored a great victory in the sphere of national education. Laos, where before the revolution 60 percent of the population could neither read nor write, is now one of the few Asian states where illiteracy has been eradicated. Today, one person in four here is studying. This is further clear proof of the indisputable advantages of the liberated countries' progressive movement along the socialist path.

Dozens of peoples are now following this road. And your successes, comrades, graphically confirm the correctness of V.I. Lenin's brilliant prediction that all nations will progress toward socialism but that each of them will make their own distinctive contribution to the forms of democracy and the pace of the socialist transformations of social life.

Comrades! Ostentatious eulogies are alien to the supreme forums of Marxist-Leninist parties, which are organically characterized by exactingness, creativeness, and concentration on unresolved problems. While recognizing what has been achieved, communists see their task in shedding the bright light of criticism on everything which slows social development and in resolutely eliminating the obstacles that arise in our path.

Our delegation has seen for itself with satisfaction that a businesslike and creative mood prevails here at the Fourth LPRP Congress, and that your party is demandingly and self-critically analyzing what has been done and achieved, is determinedly exposing the shortcomings, and on this basis, which is indispensable for communists, it is purposefully and realistically outlining the prospects for the future. By waging a principled struggle against negative phenomena in society's life, the LPRP is thereby strengthening its vanguard role.

Laos' Communist are displaying boldness and persistence in he posing of new tasks, are consistently guided by Marxist-Leninist theory in the search for a solution to the problems that emerge, and rely firmly on the people's broad support. While performing difficult but noble work to create the foundations of socialism, the LPRP has been enriched by its own valuable practical experience and is creatively apply the experience of fraternal parties.

We are confident that the Lao people, under the leadership of their tried and tested vanguard, will score new victories in peaceful creative labor and will reliably safeguard their motherland's security. The guarantee of those victories in peaceful creative labor and will reliably safeguard their motherland's security. The guarantee of those victories lies in the close unity of the party and the people and their selfless labor and orientation toward the future, increased by the support and solidarity of the fraternal socialist states, primarily the Soviet Union and Vietnam.

Soviet-Lao cooperation has been given a high assessment from your congress rostrum. Warms words have been spoken about Lenin's party and Soviet communists. Allow me to express gratitude for the kind words and the support for the CPSU's activity and its 27th congress decisions. We highly appreciate the fraternal relations that have been formed between our parties and countries.

Cooperation between the Soviet Union and Laos embraces virtually all spheres of social and economic life. The indestructible friendship and cooperation between our countries and peoples are based on the firm foundation of the ideological and political unity of the CPSU and the LPRP and are built on the principles of Marxism-Leninism and socialist internationalism. The consistent course toward the further consolidation of the friendship and the improvement of the multifaceted ties between the CPSU and the LPRP and the USSR and the LPDR was reaffirmed during the meeting between Comrade M.S. Gorbachev and Comrade Kaysone Phomvihan in Moscow in October of this year.

Soviet-Lao economic cooperation, which was given new impetus by the agreements for 1986-90, is constantly developing. Our joint labor is embodies in practice in the production and social facilities that are being created in Laos, in the development of transport, in the expansion of the republic's export potential, and in the formulation of economic plans. The Soviet Union will continue to give you all-round assistance in developing the economy and in preparing skilled cadres and specialists for various sectors in the national economy.

At the same time, there is still considerable untapped potential in our cooperation. We must and will cooperate more closely in all areas: We shall deepen and diversify our trade, economic, and cultural ties, and coordinate our efforts more vigorously in the international arena. Our common task now is to increase the effectiveness of cooperation so that it promotes as much as possible the solution of Laos' economic an social problems, helps your republic to stand more firmly on its own feet, and meets our common goals more fully. And those goals are steadfast and unchanging -- the good of the peoples. History attests and confirms: The closer the cooperation between countries which have chosen the path of socialist development, the greater their peoples' socioeconomic and cultural achievements. In turn the expanding development of each of the countries building socialism is the guarantee of the stengthening of the economic and defense might and social and spiritual progress of the whole fraternal family of the socialist community.

Comrades!

While taking part on your congress' work, we have been for ourselves once more the great and genuine interest that you show in the Soviet people's life and labor and the CPSU's experience.

G. A. Aliyev described the selfless labor of communists and all the Soviet people in implementing the decisions of the 27th CPSU Congress, which approved the concept of the country's accelerated socioeconomic development as the basis of all work by the party and the people at the present crucial stage in history.

Recently, the CPSU delegation head said, our country's working people celebrated the 69th anniversary of the Great October Socialist Revolution and, according to tradition, marked it with weighty labor achievements. Many national economic indicators exceed -- often quite considerably -- the corresponding level for last year and the plan targets for this year. The results for the elapsed months of this year show that communists and Soviet people are capable of reaching the demanding targets. There is another very important point here -- these results clearly demonstrate that the party's course of acceleration and restructuring finds unfailing and fervent support among the Soviet people -- practical support.

By successfully fulfilling their creative tasks, the working people of the Soviet Union and the fraternal socialist countries are making a decisive contribution to the cause of peace. The stronger and more resilient we become, the more imperialism will be forced to take account of us, and the clearer will become the futility of its hopes of reversing history and slowing its course.

Our parties' joint coordinated activity in the international arena and their coperation in strengthening the economic and scientific-technical potential of world socialism are of fundamental significance. These aims were served by the working meeting of leaders of the CEMA countries' fraternal parties in Moscow 10-11 November. Its participants discussed the possibility of making fuller use of socialism's creative potential in the interests of the fraternal countries' development and increasing their people's well-being, and said that it is necessary to increase efforts to strengthen peace and international security.

Our planet is now experiencing a most crucial period. Mankind now faces a choice -- either to eradicate the views and approach of the past, when security was seen from the standpoint of strength, or to remain hostages of the arms race -- in nuclear, chemical, and in the longterm other no less awesome armaments. The realities of the missile and space era demand new thinking and a high degree of responsibility for the fate of the world and of mankind.

The socialist states set an example of such thinking and practical actions. Our country, as you know, unilaterally terminated its nuclear explosions and has repeatedly extended its moratorium, which is still in force today. At the beginning of this year the USSR put forward a comprehensive disarmament plan whose central element is the phased elimination of nuclear weapons, and proposed that chemical weapons also be destroyed by the end of this century. The 27th CPSU Congress formulated the principled basis of an all-embracing system of international security. The proposal to create such a system of international security. The proposal to create such a system was submitted for the examination of the 41st UN General Assembly session by a group of socialist countries as the embodiment of their coordinated foreign policy line. In June this year the Warsaw Pact states put forward a major comprehensive program for the reduction of armed forces and conventional armaments in central Europe. All these initiatives have found a broad response among the world public. All except for the U.S. Administration -- bristling with imperial ambitions, it remains deaf to the aspirations of the peoples, including its own.

Finally, to interrupt the dangerous development of events and end the deadlock on the disarmament problem, the Soviet Union proposed the meeting in Reykjavik. We went to that meeting with an entire package of major, far-reaching proposals. Had they been accepted it would have been a tremendous step forward in the cause of disarmament and would have been a real obstacle to the threat of the nuclear war toward which mankind is being pushed by imperialism's aggressive and dangerous policy. Had they been accepted, a new, nonnuclear era in mankind's history would have begun.

You know how the U.S. side replied. In Reykjavik, to which the Americans went empty-handed, there was a graphic display of their side's lack of new thinking and, from certain circles, even a clear unwillingness to change any party of their stubborn commitment to the old and obsolete, a commitment worthy of better application. Some Americans are not averse to talking about peace, disarmament, and cooperation while at the same time doing their utmost to oppose arms reduction, continue to pursue the illusion of military superiority, and continue their attempts to act from a position of strength or to interfere in sovereign states' internal affairs.

We are under no illusion that the path to peace and to the curbing of the arms race will be simple or easy. However -- and this was also confirmed by Reykjavik -- the reaching of accords on the fundamental problem affecting the fate of all mankind is clearly possible. Our proposals in this sphere remain in force. It is now up to the U.S. side. As M.S. Gorbachev noted, mankind is capable of averting the terrible threat hanging over it. Now is the time for bold and responsible actions in the interests of the whole world. Now, at a qualitatively new stage in the international situation, it is more important than ever before to increase the efforts of the peoples of all countries and continents to achieve that goal!

The main problem now facing the peoples of the world -- the problem of survival -- is equally acute and urgent for Europe, Asia, and the other continents, too. As a result of the U.S. buildup of its armed forces in the Pacific region, that area is increasingly being turned into an arena of military and political confrontation. Under U.S. influence a "Washington-Tokyo-Seoul" militarized triangle is being formed which poses a threat to peace.

As far as the Soviet Union is concerned, Asia and the Pacific are an integral part of its general peace-loving foreign policy. During a visit to Vladivostok, M.S. Gorbachev, general secretary of the CPSU Central Committee, expressed concrete ideas on the possible form of the process of shaping international security in Asia and the Pacific, on the reduction of armed forces and armaments here, and on peaceful cooperation among all the countries of this region.

The efforts being undertaken by the LPDR in conjunction with the SRV and the PRK aimed at normalizing the situation in the region, seeking mutual understanding with the ASEAN countries, and transforming Southeast Asia into a zone of peace, stability, and cooperation are of great importance for creating a favorable atmosphere in the Asia and Pacific region.

These efforts are a fitting contribution to the cause of consolidating peace and security in Asia and, in conjunction with the well-known initiatives of the Soviet Union, Mongolia, and the DPRK and the constructive stance taken by India and a number of other countries, help to involve the vast Asia and Pacific region in the process of creating an all-embracing system of international security.

The ideas of peace received a wide response at the recent Eighth Conference of Nonaligned Countries' Heads of State and Government. The majority of Asian states now belong to the Nonaligned Movement. And it is logical that the countries building socialism should be in the front ranks of this movement's progressive wing.

The cause of consolidating stability in Asia and the Pacific would be promoted by the normalization of relations, based on constructive dialogue, between Laos, Vietnam, and Cambodia and the PRC, which, as a great socialist country, largely determines the improvement of the political climate in this part of the world. It would seem obvious that there are and can be no insuperable obstacles on this path for states pursuing what are ultimately common goals in the struggle for the triumph of peace and socialism.

A contribution to the general struggle to avert the danger of war and reduce tension in the Asia and Pacific region will be made by the holding in Ulaanbaatar in summer 1987 of a consultative meeting of representatives of Asian and Pacific communist and workers parties, preparations for which are now underway.

The USSR and the other socialist community countries advocate friendship and cooperation with everyone who values freedom, the security of the peoples, and who says a firm "no" to the instigators of wars and confrontation.

I would like to assure you, comrades, that the Soviet Union will continue to pursue that course. Our policy is a policy of strengthening peace and firmly rebuffing its enemies, a policy of indestructible friendship with the socialist countries and of unfailing solidarity with the forces of progress and justice.

Dear Comrades!

The LPRD has entered the second decade of its history. Your congress is to take crucial decisions which will open up further prospects for building socialism in Laos. We believe that the creative energy of your party forum will be embodied in concrete deeds -- the country's economy will be strengthened, culture will undergo new development, and the people's living standard will rise.

We wish you, Lao communists, and all Lao working people the successful fulfillment of the Fourth LPRP Congress decisions. We are confident that their implementation will enrich the world experience of socialist building. In your noble struggle for your country's bright future you may as always rely firmly upon the fraternal assistance and support of the Soviet people and the CPSU.

Long live the LPRP!
Long live peace and socialism!
Long live the eternal and indestructible friendship between the peoples of the Soviet Union and the LPDR!

On the CPSU Central Committee's behalf, G.A. Aliyev presented the Fourth LPRP Congress with a bronze copy of the monument to V.I. Lenin in Moscow's October Square.

Addresses Vientiane Reception

PM191245 Moscow IZVESTIYA in Russian 17 Nov 86 Morning Edition p 4

[TASS report: "Inviolable Unity"]

[Text] Vientiane, 15 Nov -- The Lao People's Revolutionary Party [LPRP] Central Committee gave a reception to mark the end of the party's fourth congress.

The reception was attended by Kaysone Phomvihan, general secretary of the LPRP Central Committee, members and candidate members of the Politburo, and secretaries and members of the LPRP Central Committee.

Also in the hall were a CPSU delegation headed by G.A. Aliyev, member of the CPSU Central Committee Politburo and first deputy chairman of the USSR Council of Ministers, and the delegations of other communist and workers parties and national liberation movements.

Those assembled were addressed by K. Phomvihan. The great political success of the Fourth LPRP Congress, he said, confirms the inviolable unity of the party and the Lao people and their firm revolutionary will. The participation of foreign guests in our forum was a moving demonstration of the fraternal parties' support for the LPRP course and for the party's efforts aimed at creating the foundations of socialism in our country and strengthening peace and security in Southeast Asia.

On behalf of the party's Central Committee, K. Phomvihan expressed profound gratitude to the representatives of the international communist and workers movement for their valuable contribution to the work of the congress which has just ended and proclaimed a toast in honor of the solidarity and unity of action of the world's revolutionary forces.

Speaking on behalf of the foreign guests attending the congress, G.A. Aliyev congratulated the communists and all Lao people on the successful completion of the LPRP congress. Taking place in an atmosphere of complete unanimity and creative enthusiasm and a businesslike, self-critical, and exacting spirit characteristic of communists, the congress opened a new chapter in the building of socialism in Laos, was an outstanding historical event in the life of the young republic, and represents an important milestone in the development of world socialism.

The congress once again convincingly demonstrated the indestructible unity of the LPRP and the Lao people. It is beyond question that the Lao communists' party will energetically mobilize the country's working people to fulfill the large-scale creative program drawn up by its fourth congress and lead them to the set targets.

The LPRP congress, just like the other congresses of the socialist countries' fraternal parties held this year, has defined safeguarding peace as the most important task in the sphere of foreign policy. This is completely natural and profoundly symbolic, the speaker emphasized. After all, the course of history has proved incontrovertibly and is confirming every day that socialism and peace are inseparable.

The policy of peace and international security, which the socialist states are actively implementing, effectively counters the policy of imperialism and reaction which is pushing the world toward a nuclear catastrophe. Now, after Reykjavik, where at the Soviet-American summit M.S. Gorbachev, general secretary of the CPSU Central Committee, put forward large-scale and far-reaching peace proposals, a qualitatively new situation has developed in international affairs. The struggle for peace and against the nuclear threat has reached a new, higher stage. The Soviet initiatives and our unilateral moratorium on nuclear tests have received active support throughout the world. And we are convinced that the dangerous development of events can and must be halted.

Here in Asia the process of the realization of the concept of peace and security in the Asian and Pacific region, whose main principles were set forth by M.S. Gorbachev in Vladivostok, is gradually gathering momentum. Together with other Asian socialist countries, Laos is contributing to this process by consistently striving, with Vietnam and Cambodia, for the normalization of the situation in Southeast Asia and the transformation of this region into a zone of peace, stability, and good-neighborliness.

The Soviet Union regards the strengthening of the socialist community, the development of ties and collaboration with all socialist countries, the strengthening of the unity and cohesion of the world communist movement, and solidarity with all left-wing and democratic forces as one of the central tasks of its foreign policy. Through joint efforts we will continue to strengthen friendship and expand cooperation between the fraternal states' parties and peoples. Jointly with the world's communist and workers parties we will strengthen the united front of the struggle to deliver mankind from the burden of the threat of war and violence and will fight against war and military preparations and for the elimination of nuclear weapons, a secure and just peace and freedom for all peoples, the democratization of all international relations, and a genuine improvement of the political climate on the planet.

G.A. Aliyev wished the communists and all the working people of the Lao People's Democratic Republic much success in the implementation of the decisions of the Fourth LPRP Congress.

CHILD RELEASED TO ESTONIAN COUPLE IN SWEDEN

LD191433 Moscow TASS in English 1423 GMT 19 Nov 86

[Text] Tallin November 19 TASS -- Guided by humanitarian considerations and acting in the interests of the re-unification of the family, the Soviet side decided to give custody of minor Kaisa Randpere to her parents Valdo Randpere and Leila Miller residing in Sweden.

Randpere and Miller had not returned to the U.S.S.R. from a tourist trip in 1984.

COMMENTARY ON SWEDISH RADIO ATTACK ON KOLA PLAN

LD192216 Moscow International Service in Finnish 1530 GMT 19 Nov 86

[Text] Dear listeners. We continue our broadcast with a comment by our military expert, Colonel Eduard Grigoryev. Concerning the reaction in response to the new Soviet steps for consolidating stability in the north of Europe, our observer writes:

Nobody who is really interested in measures to increase the security of the northern part of Europe could fail to give support to the Soviet Union, which has shown its loyalty to the idea of establishing a nuclear weapons-free zone in the north of Europe. But there have also been negative views in the Nordic countries. I shall deal with only one of them.

I would like to refer to the statement of Vilhelm Agrell on Swedish radio. I am sure that he did not even have enough time to consider thoroughly the announcement made by Yegor Ligachev about the Soviet steps before he began to doubt them. According to his assessment, this measure is not of great significance.

But how on earth could the fact be without significance that the Soviet Union has dismantled medium-range launchers on the threshold of its northern neighbors, on the Kola Peninsula, and a large part of these launchers from the area of its northeastern military districts? Perhaps much more important in his view was the recent NATO "Northern Wedding" exercise in the area.

If Mr Agrell had not been in such a hurry to brand the Soviet steps as inefficient, he would have been sure to pay attention to the following fact: the Soviet Union did not announce that it intended to replace old missiles with new ones, but the fact is that it has dismantled the launchers of its own medium-range missiles. They do not exist any longer on the Kola Peninsula, and there are hardly any in the area of the Leningrad and Baltic Military Districts, either. From the same area several operational-tactical missile divisions have been withdrawn. Is this good or bad for the nuclear-free north?

Mr Agrell claims that the withdrawn missiles have been replaced with new ones, but in a different part of the country. But you may be excused for asking, what do the other areas of the country have to do with the north of Europe? Everyone knows that the Soviet Union has missiles in Siberia, but these are not intended for the north of Europe. In addition, it should not be forgotten that the Soviet Union is in favor of the withdrawal of all medium range missiles from Europe, but only if the United States acts correspondingly. We would not believe that Mr Agrell, who is a specialist on measures to safeguard peace, would not know all this.

But why is it necessary to mislead the listeners and to underestimate the importance of the Soviet initiatives? Whose interest is served by mistrust and hostility? Certainly not the good of the circles supporting a nuclear-free north, but above all of those who in every possible way want to prevent the implementation of the proposal.

VESSELS ARRIVE IN GREEK PORT OF PIRAEUS 18 NOV

LD181030 Moscow TASS International Service in Russian 0850 GMT 18 Nov 86

[Text] Athens, 18 Nov (TASS) -- In keeping with the accord, a detachment of Soviet military warships arrived in the port of Piraeus today on an official visit, consisting of the missile cruiser "Slava" and the large antisubmarine ship "Komsomolets Ukrainy" under the flag of Admiral M.N. Khronopulo, commander of the Black Sea Fleet.

VISIT OF DUTCH PREMIER, MINISTER BEGINS 20 NOV

LD200441 Moscow Domestic Service in Russian 0304 GMT 20 Nov 86

[Text] The prime minister of the Netherlands, Rudolph Lubbers, arrives today for a visit to the Soviet Union at the invitation of the Soviet Government. He is a prominent Dutch politician and leader of the Christian Democratic Appeal Party. He will be accompanied during his visit to the USSR by Hans van den Broek, minister of foreign affairs of the Netherlands. The Soviet people welcome the visit by the eminent Dutch guests and express the hope that the forthcoming meetings and talks in Moscow will facilitate the development and deepening of relations between the USSR and the Netherlands to the benefit of the peoples of both countries and in the interests of reinforcing trust and international security.

DOBRYNIN, ZAGLADIN RECEIVE SWISS PARTY LEADER

LD181720 Moscow TASS in English 1713 GMT 18 Nov 86

[Text] Moscow November 18 TASS -- Anatoliy Dobrynin, secretary of the CPSU Central Committee, and Vadim Zagladin, member of the CPSU Central Committee, first deputy head of the International Department of the CPSU Central Committee, received Armand Magnin, general secretary of the Swiss Labour Party, at the CPSU Central Committee today.

During a warm and friendly talk they touched upon urgent issues of the international situation, the problems of the struggle for peace in the current situation and also other topics of mutual interest.

MURAKHOVSKIY RECEIVES UK INDUSTRIALIST 19 NOV

LD192309 Moscow TASS in English 2125 GMT 19 Nov 86

[Text] Moscow November 19 TASS -- Vsevolod Murakhovskiy, first deputy chairman of the USSR Council of Ministers, chairman of the USSR State Agri-Industrial Committee, today received G. Mitchell, co-chairman of the Soviet-British joint working group on cooperation in agriculture and related industries, member of the board of directors of the firm "I.C.I.".

During the talk, they discussed some questions of cooperation in the field of agriculture and other branches of the agri-industrial complex.

MOSCOW VIEWS 'CHANGE' IN U.S. POLICY TOWARD IRAN

NC191140 Moscow Radio Peace and Progress in Persian to Iran 1630 GMT 19 Nov 86

[Unattributed commentary]

[Excerpts] Seyyed Raja'i-Khorasani, Iran's permanent representative to the United Nations, has described America's policy toward Iran as having undergone a radical change. Commenting on President Reagan's attempts to justify the secret contacts between representatives of Washington and Tehran, Raja'i-Khorasani said he considered them a virtual retraction of America's confrontational stand toward Iran, and tantamount to official recognition of the Iranian revolution.

One may guess that the White House expected such a reaction when it sent former national security adviser Robert McFarlane to Tehran. However, according to press reports in Washington, the Americans knew than any disclosure of their links with Iranian political figures would be dangerous, as anti-U.S. feelings are strong and active among Iranians. American's imperialist policy has brought innumerable sufferings and heavy losses to the Iranian people. The United States engineered a coup on 19 August 1953 to topple Dr Mosaddeq's nationalist government. It then reinstated the Shah's pro-American and antipeople regime, and kept it there for many more years. This regime sold off the country's wealth to American monopolies, and placed the armed forces under the control of the Pentagon and the U.S. espionage organization, the CIA. The Shah dragged Iran into a destructive arms race, halted the country's social and economic growth, and made American weapons dealers and bankers richer and richer. [passage omitted]

Ayatollah Khomeyni has declared repeatedly that Islam's true enemy is the United States, which is fighting Iran through its agents. At this point, one may ask: Is it possible to consider operations designed to promote arcane and confidential negotiations in Tehran as a revision of the U.S. Government's policy of threatening and subverting Iran? In fact, these operations are a natural extension of it. In addition, Washington maintains its support for monarchist counterrevolutionaries based near the Iranian border, and in Pakistan and Turkey. It has also continued its subversive policy within Iran itself, as proved by the recent statements and confessions of one of its spies on Iranian television.

The secret contacts of the U.S. Government's representatives in Tehran, which have been reported by American publications, seek to strengthen its fifth column within Iran and reactivate those willing to place the country back in Washington's orbit. In short, those who interpret the efforts of the White House to forge clandestine links with Tehran as a 180 degree turn in America's confrontational policy toward the country's revolution, do so without basis or foundation. Representatives of Iran's national democratic forces view the Reagan administration's secret dealings as a trap. They feel that the dispatch of U.S. arms to Iran, and contacts with some pro-U.S. Iranians, will conform to Washington's plans and expectations regarding the future of the Iran-Iraq war. They want a regime in Iran that will play a major role governed by the wishes of the United States, and one loyal and subservient to it.

PALESTINIAN OFFICIAL HAWATIMAH ARRIVES 17 NOV

LD181011 Kuwait KUNA in English 0925 GMT 18 Nov 86

[Text] Damascus, Nov 18 (KUNA) -- A spokesman for the Democratic Front for the Liberation of Palestine said today general-secretary of the front Nayif Hawatimah and his assistant Yasir 'Abd Rabu, arrived in Moscow last night.

The spokesman said Hawatimah's talks with Soviet officials will cover issues related to the Palestinian question and Arab developments within the framework reached at previous Palestinian national unity meetings held in Moscow and Prague.

PRAVDA ON EGYPTIAN CABINET'S ECONOMIC 'DILEMMA'

PM191107 Moscow PRAVDA in Russian 16 Nov 86 First Edition p 5

[Vladimir Belyakov "Commentator's Column": "A Complex Dilemma"]

[Excerpt] Cairo -- A new government has been formed in Egypt, headed by 'A. Sidqi. It replaces 'A. Lutfi's cabinet, which lasted only 14 months. It is not necessary to guess the reasons behind this step. Addressing the members of the government, President H. Mubarak openly called on them to tackle primarily the solution of economic problems, which have become more acute than ever before over the last few months.

In order to understand the nature of the difficulties experienced by Egypt, it is necessary to recall that the country's economic strategy -- the policy of "open doors" for private and foreign capital or "infitah," as it is locally called -- is still harmful to the development of the national economy despite certain corrections that have been applied to it. Describing its features, the London weekly THE ECONOMIST noted recently: "The infitah people are merchants, middlemen, contractors, but certainly not industrialists." But the country's needs, with its very fast population growth, are outstripping the pace of industrial and agricultural growth. These needs are satisfied mainly by imports, whose cost is three times the value of exports.

Until recently revenues from operation of the Suez Canal and international tourism and remittances from the hundreds of thousands of Egyptians working abroad came to the rescue to a certain extent. Large sums were borrowed from Western creditors. Egypt's external debt is now estimated at 36 billion dollars.

But changing market conditions have undermined Egypt's foreign currency sources. The price of oil -- the main element of Egyptian exports -- has fallen sharply on the world markets. There has also been a reduction in remittances from Egyptians working in Arab oil producing countries. Many Western tourists, frightened by instability in the Near East, have postponed planned trips to Egypt. This year the country's total foreign currency loss could reach 3 billion dollars. Something which progressive Egyptian economists warned about a long time ago has happened: The strategy oriented to a considerable extent toward consumption rather than production only defers and complicates the solution of urgent economic and social problems, even though there is an obvious and pressing need for reforms. [passage omitted]

PRAVDA REPORTS GUINEA, CAPE VERDE CONGRESS

PM191445 Moscow PRAVDA in Russian 12 Nov 86 Second Edition p 4

[TASS report: "At the PAIGC Congress"]

[Text] Bissau, 11 Nov -- The political course of the African Party for the Independence of Guinea and Cape Verde (PAIGC) is helping the strengthening of national unity and the building of a new and just society with the extensive participation of the country's population at all levels. Joao Bernardo Vieira, general secretary of the PAIGC Central Committee and chairman of the Guinea-Bissau Republic State Council, announced this in his report to the Fourth PAIGC Congress taking place here.

The elections to the National People's Assembly and the adoption of a new constitution guaranteeing the working people's rights and defending their interests were important stages on the path of the further democratization of Guinean society, J.B. Vieira pointed out.

Despite the successes achieved thanks to the active work by party members, much still remains to be done to eliminate shortcomings and the errors committed. Within the party's ranks, serious deviations from the general course and instances of antiparty and schismatic activity have occurred which have received an appropriate evaluation.

The PAIGC is making a great effort with the aim of bringing the country out of its difficult economic position and putting an end as quickly as possible to the fall in production and the stangnation.

In the international arena, the general secretary of the PAIGC Central Committee stressed, we firmly adhere to the anti-imperialist course. This means consistent nonalignment and unconditional support for the peoples fighting against racism, Zionism, and all forms of colonial and neocolonial supremacy. Guinea-Bissau is in favor of developing relations between states on the basis of peaceful coexistence, solving conflicts by peaceful means, and noninterference in internal affairs. International cooperation is an instrument facilitating the strengthening of mutual understanding between peoples.

The head of the CPSU delegation, S.A. Niyazov, member of the CPSU Central Committee and first secretary of the Turkmen Communist Party Central Committee, addressed the Fourth PAIGC Congress taking place here. In the name of the Soviet people and their vanguard, the CPSU, he conveyed to Guinea-Bissau's working people warm greetings and wishes for success in building the new life.

The head of the CPSU delegation read out the text of the CPSU Central Committee greetings to the Fourth PAIGC Congress; it was warmly received by the delegates. The forum participants were also greeted by the leaders of other foreign delegations.

NIYAZOV-LED DELEGATION RETURNS FROM BISSAU

PM191032 Moscow PRAVDA in Russian 18 Nov 86 First Edition p 4

[TASS report under general heading "Delegations Return"]

[Text] A CPSU delegation headed by S.A. Niyazov, member of the CPSU Central Committee and first secretary of the Turkman Communist Party Central Committee, has returned to Moscow from Bissau after taking part in the Fourth Congress of the African Party of Independence for Guinea and Cape Verde (PAIGC).

TALYZIN SUPREME SOVIET REPORT ON 1987 STATE PLAN

PM171800 Moscow PRAVDA in Russian 18 Nov 86 First Edition pp 1-3

["On the State Plan for the Economic and Social Development of the USSR in 1987 and on the Course of Plan Fulfillment in 1986. Report by Deputy N.V. Talyzin, First Deputy Chairman of the USSR Council of Ministers and Chairman of the USSR Gosplan" -- PRAVDA headline; report was delivered at 17 November joint session of USSR Supreme Soviet chambers in the Grand Kremlin Palace, Moscow]

[Text] Esteemed Comrade Deputies!

The USSR Supreme Soviet session is taking place at a significant time. The process of the all-around restructuring of our society initiated on the basis of the decisions of the CPSU Central Committee April (1985) Plenum and the program guidelines of the 27th CPSU Congress is gathering strength and gaining increasing scope and depth. The course formulated by the party of accelerating socioeconomic development and effecting qualitative changes in Soviet people's life is approved and supported by our people as an expression of their unanimous will.

The Soviet Union's active foreign policy and major foreign policy initiatives to consolidate peace and universal security, end the arms race, and prohibit and eliminate nuclear and space weapons are close to the hearts of and understood by the world's peoples. They accord with their vital interests and so are fully supported in our country, the socialist community countries, and many other states and are supported by all progressive mankind.

On the Course of Fulfillment of the State Plan for the Economic and Social Development of the USSR in 1986 [subhead]

Comrade Deputies! The changes in the economy are of decisive importance for the attainment of the set objectives. The party has formulated a strategy of major transformations and has embarked on implementing them.

The rate of progress is being stepped up by mobilizing reserves as much as possible, making better use of production potential, enhancing the masses' initiative and creativity, and strengthening discipline and order.

At the same time a fundamental modernization [rekonstruktsiya] of the national economy is being carried out, management organizational structures are being restructured, and a new economic mechanism is being formed.

The results of plan fulfillment in the first 10 months of 1986 show that, as a result of Soviet people's labor efforts and the party's great organizational work, the acceleration of socioeconomic development is being put into effect. High rates have been achieved in practically all sectors of the national economy. The highest growth in national income and industrial production in the eighties has been obtained.

The national income produced has increased by 4.3 percent and the volume of industrial production by 5.1 percent. Thus even in the first year of the 5-year plan the economy is reaching the level of the average annual 5-year plan targets in the most important spheres.

Machine building and the chemical and petrochemical industries, that is, the sectors determining scientific and technical progress in the national economy, are considerably outstripping industry as a whole in their development. The production of the most modern equipment is expanding. The work of base sectors of industry -- metallurgy and

the coal and petroleum industries -- has improved. All types of transportation are fulfilling the targets for freight shipments.

In the agro-industrial complex production and state purchases of grain, potatoes, vegetables, fruits, and livestock products have increased.

The pace of capital construction has increased. The reconstruction and retooling of existing production facilities are being accelerated. Almost 25 percent more funds have been channeled into these purposes than last year.

Labor productivity in industry has increased by 4.8 percent as against the annual target of 4.1 percent. Labor productivity growth accounted for 95 percent of the increase in output.

Measures are being implemented to increase the people's well-being. The scale of housing and sociocultural construction has increased considerably.

All union republics are contributing to the development of the country's national economy.

At the same time in a number of sectors and in many labor collectives the switch to the new methods is being implemented only slowly and no qualitative breakthrough has yet begun. As M.S. Gorbachev, general secretary of the CPSU Central Committee, noted at his meeting with the Krasnodar Kray party aktiv, "the process of restructuring and people's creative quest are certainly on the increase. All links and echelons are acting more vigorously. But, comrades, there is still a long way to go to the real scope that we require in order to achieve the strategic objectives set by the 27th party congress."

While ensuring high rates by utilizing existing reserves, improving the activity of all components of the national economy, and increasing labor collectives' role, it is necessary to implement the restructuring more resolutely and to bring long-term strategic factors of economic growth increasingly into play. I refer to the acceleration of scientific and technical progress, the improvement of the production structure, the improvement of output quality, resource saving, and the activation of social policy. The switch from separate major transformations to an integral new system of economic activity and management embracing all levels and links of social production is a most important task.

It was from this standpoint that the USSR Council of Ministers approached the formation of the 1987 plan.

Features of the 1987 Plan in the New Economic Management Conditions [subhead]

Comrade Deputies! The State Plan for the Economic and Social Development of the USSR in 1987 that the USSR Council of Ministers has submitted for your consideration is formulated in accordance with the decisions of the 27th CPSU Congress and the CPSU Central Committee April (1985) and June (1986) Plenums on the basis of the targets of the 5-year plan for 1986-1990 and of proposals from the union republic Councils of Ministers and USSR ministries and departments.

At its 30 October session the CPSU Central Committee Politburo examined the draft 1987 plan and largely approved it. It was noted that the draft pays most attention to consolidating and developing the positive shifts achieved in the economy in the current year and to more fully bringing into play long-term factors for the growth of social production. It accords with the 27th CPSU Congress' course of accelerating our

society's socioeconomic progress and is in line with the 12th 5-Year Plan targets. An important merit of it is the projected implementation of a complex of social measures embracing all aspects of Soviet people's lives.

The coming year will be of the greatest importance in the development of the national economy and the fulfillment of the 5-year plan as a whole. It will be the year of the widespread application of new methods of socialist economic management. All industry, the agro-industrial complex, transportation, communications, and consumer services will work under the new conditions. The restructuring of the economic mechanism has been begun in construction and in the sphere of foreign economic activity.

The improvement of the economic mechanism will continue. Five all-union industrial ministries, a number of major associations and enterprises in other ministries, and also the USSR Ministry of the Maritime Fleet and the trade network are being transferred to conditions of full financial autonomy, self-financing, and self-capitalization. The course of expanding the economic self-sufficiency of associations and enterprises and developing the initiative of labor collectives is being consolidated. The conditions are being created for achieving higher growth rates in production and labor productivity and the reduction of prime cost.

In accordance with the demands of the new economic mechanism, the plan is based on long-term stable economic normatives that closely link funds for the development of associations and enterprises and for material incentives to the end results of their economic activity. Collectives that work successfully will receive greater opportunities for retooling and reconstructing existing production facilities, providing material incentives to personnel, and resolving social questions. The long-term stable economic normatives are one of the most important levers for centralized plan leadership and the implementation of socioeconomic policy.

Proceeding from the party and government line of consistently expanding the independence of associations and enterprises, a large number of indicators, formerly set as directives by the plan, have now been handed over for planning purposes to ministries and departments, union republics, or directly to associations and enterprises. The state plan retains the most important indicators, limits, and normatives ensuring effective centralized leadership of the country's economy.

A substantial step has been taken toward overcoming the "gross" approach both in planning and in evaluating the activity of associations and enterprises. As of 1987, the 100-percent fulfillment of contractual obligations will be the main indicator in industry. Fulfillment of contracts will also become one of the most important evaluation indicators in capital construction and other sectors of the national economy. And this is understandable. Full completion of contracts is the basis of material balance in the economy and of stable and steady functioning of the national economy.

Much attention has been given to the elimination of the so-called "expenditure" [zatratnyy] approach in work. This will be helped by the transition to the normative method of distribution of profits between the state and enterprises and its transformation into the decisive source of collectives' social and production development.

The "achieved level" [ot "dostignutogo"] approach to planning has also been overcome. Growth rates for 1987 have been set on the basis of the 5-year plan and the 1986 plan, rather than on expected fulfillment as before. Projections for 1987 have been set at the level of the 5-year plan targets.

In practice, the new approach transforms the 5-year plan into the basic form of planning, ensures its stability, and thus creates conditions for gaining maximum effect from the application of long-term economic normatives. On the other hand, it enables successfully working collectives to seek out all reserves and mobilize them for plan fulfillment and to ensure the plan's overfulfillment without fear of raising the base for subsequent years.

A convincing confirmation of this is provided by the adoption of counterplans for the extraction and production of output and the transportation of freight by labor collectives in the petroleum, gas, petroleum processing, and coal industries, ferrous and nonferrous metallurgy, the timber, pulp and paper, and wood processing industry, forestry, the construction materials industry, and railroad transport. Their example is being followed by working people in other sectors.

Great importance in the elaboration of the 1987 plan was given to the question of ensuring a precise work rhythm for all sectors from the very first days of the year. Practice in the last few years, including the current year, shows that some USSR ministries and departments, union republic councils of ministers, and associations and enterprises often set lower plans for the first months or quarters or revise plan targets downward without any justification. This has had negative effects on the steady pace of work, has not stimulated the utilization of existing opportunities for output and labor productivity growth, has undermined the principles of material and moral incentives, and has created disparities and imbalances in the national economy. Was it in order, for example, for the USSR Ministry of the Machine Tool and Tool Building Industry to produce about 60 percent of the monthly output of metal-cutting machine tools and forging and pressing machines in the last 5 working days of October this year? A similar situation also prevails in many other ministries. Rush work is incompatible with high production quality.

In order to eliminate these shortcomings, the USSR Council of Ministers deemed it necessary to enhance the responsibility of the USSR Gosplan, USSR ministries and departments, and union republic councils of ministers for the substantiated and balanced distribution of annual plan targets into quarters, and the responsibility of association and enterprise leaders for the even distribution of quarterly targets into months and for their stability.

The 1987 plan has intensified the line, underlying the 5-year plan, of determining targets across major national economic complexes and groups of related sectors. This approach enables permanent bodies of the USSR Council of Ministers to play an active part in the plan's elaboration and to ensure more efficient monitoring of the course of its fulfillment.

Implementing the 27th CPSU Congress directives for intensifying the social orientation of economic development, the 1987 plan contains for the first time a fully elaborated, comprehensive social section encompassing the production and sales of consumer goods, the development of the system of paid services to the population, the consolidation of the material base of the social and cultural sphere, and the balancing of the population's money income and expenditures for the country and by union republics.

The 1987 plan is thus aimed at ensuring the efficient functioning of the entire economic machinery and the fuller utilization of the human factor. Success in plan fulfillment is predetermined by how quickly the top level of management -- ministries and departments -- switches to economic methods of work, by how resolutely financial autonomy spreads downward to shops, teams, and production.

Special importance attaches to the restructuring of cadres' economic thinking, to each and every worker's understanding of the essence of the fundamental changes occurring in

the economy and in society's life, and to the practical implementation of the new style and methods of work.

General Economic Description of the 1987 Plan [subhead]

Comrade Deputies! The main task in drawing up the plan was to ensure that the party's course of accelerating national economic development and boosting the people's prosperity was consistently implemented. The highly important indicators planned for 1987 correspond to 5-year plan targets and will ensure that the economy achieves the average annual growth rates contained in the plan. Measures to maintain the country's defense capability at the necessary level are stipulated.

Produced national income will increase by 4.1 percent as against the 3.9 percent planned for 1986, and industrial output will correspondingly increase by 4.4 percent as against 4.3 percent.

Economic development in 1987 will be based on the fuller use of intensive factors. Social labor productivity will increase by 4 percent. It will increase by 4.4 percent in industry, by 3.8 percent in construction, and by 4.6 percent in rail transport. It is planned to obtain virtually the entire growth in national income, output, and work in sectors of the material sphere through labor productivity growth.

It is planned to overcome the negative trend of the aging of production potential. The replacement of obsolescent and obsolete fixed capital at industrial enterprises will increase by almost one-third.

The task has been set of sharply improving the utilization of fixed capital. The potential here is enormous. Take Tajikistan, for instance. Owing to poor manning levels the Nurek Sewn Goods Factory works a single shift and has assimilated only 55 percent of its production capacity; the Kurgan-Tyube Sewn Goods Factory -- commissioned in 1982 -- has assimilated only 80 percent of its production capacity. And this situation prevails despite the presence of free labor resources in the republic.

The implementation in the country of measures to switch enterprises and organizations to the two- and three-shift system is a most important economic and political task whose solution is directly aimed at ensuring the practical implementation of the party's strategy of accelerating the country's socioeconomic development. This working system should be the norm not only in metallurgy, the chemical industry, and light industry. The switch to multishift working will make it possible to make the most effective use of the potential that has been created and to save funds for new construction by channeling them into the modernization of enterprises and the development of the social sphere. The transfer of associations and enterprises to multishift working must be preceded by thorough preparation. The increased number of shifts must lead to specific economic results -- increased output, higher labor productivity, modern high-productivity equipment working at full capacity, better use of existing production area, and reduced capital investment in the creation of new production facilities.

The strengthening of the thrift regime and the stepping up of labor collectives' interest in economic management has made it possible to considerably reduce prime cost and boost profits. These indicators accord with the 5-year plan tasks. However, there are great opportunities for improving them. The number of loss-making enterprises and farms -- including in the agro-industrial complex -- must be sharply reduced. The party demands the decisive improvement of economic work in all components of the national economy without exception.

This is reflected in practice in the stringent savings of raw and other materials. Particular attention in the plan has been devoted to resource-saving. For instance, the additional need for ferrous metals and timber will be wholly met by increasing the efficiency of their utilization, the additional need for cement will be three-fourths met in this way, and the need for fuel and energy resources will be almost half satisfied in this fashion. The utilization of secondary raw materials will be considerably increased. As a result in 1987 it is planned to reduce the metals- and energy-intensiveness of the national income, which will mean a relative saving to the national economy of 6.3 million metric tons of metal and 32 million metric tons of standard fuel.

The fulfillment of the targets set for savings and for the efficient utilization of production resources is a most important condition of achieving balance in the economy.

Acceleration of Scientific and Technical Progress [subhead]

Comrade Deputies! The plan indicators for 1987 are based on the active utilization of the achievements of scientific and technical progress. Only the resolute acceleration of scientific developments and the rapid, extensive, and large-scale introduction of scientific achievements will ensure that the very foremost positions are won.

Particular attention has been devoted to solving the task of cardinally improving the technical standard of output, primarily in machine building. The proportion of basic output corresponding to world standards will increase by 60 percent throughout the machine building ministries. In subsequent years the proportion of this output will grow in order to ensure that the task set by the CPSU Central Committee June (1986) Plenum is resolved.

Production of computer equipment will increase by 19.5 percent instead of the 16 percent stipulated by the 5-year plan. Mass production of personal computers will begin.

It is planned to considerably accelerate the renovation of output from the machine building complex. In terms of its technical and economic parameters new output will be considerably better than previous output. As a rule, this will increase labor productivity and improve resources and reliability by 50-100 percent and reduce unit metal-intensiveness by 12-18 percent.

Targets have been laid down for the assimilation into production of fundamentally new technologies such as laser, plasma, and membrane technologies and technological processes based on the use of ultrasound and high pressures. The scale of the use of efficient processes for comprehensively processing raw materials, for boosting yields from gas and oil deposits, and for powder metallurgy and other processes will be considerably expanded. A broad system of measures to introduce intensive techniques is planned for agriculture.

The targets envisaged by the Comprehensive Program for CEMA Countries' Scientific and Technical Progress Through the Year 2000 will be implemented. The more rapid transfer of the national economy to a modern scientific and technical footing should be promoted by intersector scientific and technical complexes.

The ever-increasing role of scientific and technical progress will require a sharp increase in the attention devoted by economic leaders at all levels to fulfilling the plan for new equipment. It can be said without exaggeration that today this is one of the main criteria for assessing their activity.

The Development of Major National Economic Complexes [subhead]

Comrade Deputies! When it elaborated the plan for 1987 the USSR Council of Ministers was guided by the fundamental thesis that the dynamic development of the economy demands the qualitative transformation of the national economy's industrial base.

Special attention was paid to fundamentally improving output quality. It is a matter of solving a problem of enormous socioeconomic significance. The party has set the task of radically altering the attitude to questions of the technical standard and quality of products on the part of every working person. The improvement of output quality is also an essential condition of solving the problem of quantity and of the fuller satisfaction of the diverse requirements of the national economy and population.

Next year there will be a fundamental change in demands on quality control, and state acceptance of output is being introduced. Everyone must make careful preparations for this -- both the producers of the finished product, and workers in allied spheres, and suppliers of raw materials and components. The question is a fundamental one: The national economy does not need substandard products and it will not accept them. This was discussed in detail at a conference at the CPSU Central Committee.

In line with recent party and government decisions the priority development of the machine building complex is envisaged.

One of the complex' main tasks is to improve as much as possible the exploitation of the available potential, particularly the active part, above all by improving the equipment shift index, as required by the CPSU Central Committee June (1986) Plenum.

The output of the machine building ministries will increase by 7.3 percent. There will be continued preferential development of the machine tool building, instrument making, computer technology, electrical engineering, and electronics industries. The output growth rate in these sectors will be 1.4 times higher than in machine building as a whole.

Progressive structural changes are envisaged within these sectors. There will be an increase in the proportion of machine tools with digital program control in the overall output of metal-cutting machine tools, high-precision and ultrahigh-precision machine tools, and complete production units. There will be a sharp increase in the production of rotary and rotary-conveyor lines and robotized complexes. Machine builders must ensure that all sectors of the national economy get this equipment as quickly as possible.

Special attention is devoted to the production of special production equipment for machine building itself. Production of that will increase 1.4 times.

Higher targets for the development of the fuel and energy complex are envisaged for 1987.

Electricity generation will increase in accordance with the 5-year plan by 60 billion kilowatt-hours. Measures are envisaged for further improving the reliability of energy supplies to the national economy by improving the work of existing stations and commissioning new energy capacities.

Extraction of oil, including gas condensate, will be 617 million metric tons. Tyumen Oblast is still of decisive significance. Major measures are planned on the development of new fields in West Siberia and also on the accelerated development of the Caspian oil and gas complex, especially on the development of the Tengiz oilfield.

It is envisaged that there will be a substantial improvement in the utilization of crude oil, above all through deep processing. As a result of this it should be possible to obtain around 7 million metric tons of extra petroleum products from the same quantity of oil. The USSR Ministry of the Petroleum Refining and the Petrochemical Industry and the construction ministries must sharply increase their work at oil-refining facilities and ensure that they are definitely commissioned on schedule.

The gas industry will develop at preferential rates, as projected in the 5-year plan. Gas extraction is set at 712 billion cubic meters, or an increase of 40 billion cubic meters, chiefly from the Yamburg field. Gas extraction will also increase in the Turkmen SSR.

Coal extraction will be 743.6 million metric tons, an increase of nearly 10 million metric tons. Priority development of open-cut coal extraction and retooling of enterprises will continue and the use of improved mechanization facilities will expand. The USSR Ministry of the Coal Industry must pay special attention to intensifying mining preparation operations.

In the metallurgical complex sectors, as well as increasing the output volume it is planned to further improve the metal output structure through the priority output of economical types of products.

Production of rolled ferrous metals -- 112.8 million metric tons -- corresponds to the 5-year plan targets. It is envisaged that new rolled metal sections will be assimilated. Savings of ferrous metal in the national economy as a result of an improvement in the structure will total 2.4 million metric tons over 1985. Production of nonferrous metals will increase.

Other heavy industry sectors will be further developed.

In the chemical industry there will be an increase in the production of mineral fertilizers, chemical plant protection agents, synthetic resins and plastics, and chemical fibers and yarns. The production of highly efficient products -- construction plastics, synthetic fibers, and radial tires -- will develop at preferential rates. Priority growth in the output of progressive types of products is also planned for the wood processing and pulp and paper industry. The use of timber resources will be improved.

The development of the construction materials industry will be geared to providing for capital construction and maintenance needs and meeting trade orders in full.

The further development of the agro-industrial complex is envisaged, along with the strengthening of the material and technical base, the improvement of work efficiency in its sectors and, on that basis, the improvement of food supplies to the consumer.

Gross agricultural output will increase by 7.6 percent compared with 1985.

A great deal of attention is devoted to the grain problem. The area under intensive cultivation is to be expanded. A high growth rate is planned for the production of sunflowers, potatoes, vegetables, and fruit.

The feed base will be strengthened. Production of meat will reach 18 million metric tons in slaughter weight and of milk -- 101.5 million metric tons.

Purchases and deliveries of agricultural products to all-union stocks will increase. This will ensure that production of the most important types of products by the

processing sectors of the agro-industrial complex is in line with the 5-year plan targets.

Around R56 billion in capital investments has been set aside for the development of the agro-industrial complex. Supplies of mineral fertilizers and agricultural machinery and equipment to the countryside will increase.

The USSR State Agro-Industrial Committee [Gosagroprom] should focus its attention on increasing the economic efficiency of the agro-industrial complex. Economic work on kolkhozes and sovkhozes and at other enterprises and organizations of the agro-industrial complex should be resolutely improved. In the new conditions of economic management the main thrust is to increase profitability on the basis of increasing production, improving the quality of output, and reducing prime cost.

As in the national economy as a whole, it is necessary everywhere to maintain the preferential growth of labor productivity compared with remuneration. It is the task of the USSR Gosagroprom, union republic Councils of Ministers, and local soviets to make full use of the favorable economic conditions of the new economic machinery and ensure a high return on the production and technical potential which has been created.

Increasing meat production both in the public sector and on citizens' personal plots should be a subject of constant concern. Why does meat production per head of population often differ sharply even in neighboring oblasts which have approximately equal conditions?

Union and autonomous republics, krays, and oblasts now know their firm, stable plans, over the years of the 5-year plan, for deliveries of livestock products to centralized stocks. Everything that is produced in excess of these volumes remains entirely at their disposal for improving supplies to the population. It is now a matter of realizing this potential in practice.

The development of the transport complex which is outlined in the plan ensures the satisfaction of the requirements of the national economy and the country's population for shipments. The material and technical base of transport will be strengthened and it is planned to replenish it with new, more productive rolling stock. The further changeover of motor transport onto the utilization of gas as a motor fuel is envisaged.

There will be accelerated development of the country's communications network on the basis of the introduction of modern information transmission systems and switching systems.

The plan for capital construction in 1987 has been drawn up in accordance with the decisions adopted on improving the management of the construction complex and the economic machinery in construction. The line of changing investment policy is being put into practice. The center of attention is shifting more and more from the expansion of fixed production capital to its renewal.

The plan provides for a further increase in the rate of retooling and modernization of existing enterprises. Some 45 percent of all production capital investments is channeled into these areas.

It is necessary to continue to seek to accelerate the process of technical modernization of the production apparatus. Where due attention is devoted to this, the pace of modernization is significantly higher. In Belorussia, for instance, the proportion of expenditure on retooling and modernization in 1986-1990 has been increased from the 45.7 percent envisaged in the 5-year plan to 60 percent, with a reduction in new construction. It is planned to renew some 40 percent of that proportion of fixed capital which consists of machinery and equipment.

The plan takes full account of the proposals of ministries and departments concerning capital investments financed out of the funds that enterprises and organizations channel into the development of production and into housing and sociocultural construction.

Capital investments in the nonproduction sphere have been greatly increased. The proportion of total capital investments out of all sources of finance they account for will amount to more than 26 percent for the first time. This is considerably more than envisaged in the 5-year plan.

Capital investments in the development of the production sphere are growing. However, not all ministries have prepared themselves for carrying out work on this scale. Because of the failure to draw up in good time design and estimate documentation that meets the high demands of scientific and technical progress, many projects cannot be included in the plan.

It is planned to commission fixed capital amounting to some R165 billion, which is more than in the 5-year plan. The rate of growth in the commissioning of fixed capital is in excess of the rate of growth of capital investments. As a result the volume of uncompleted construction will fall to the normative level by the end of the year.

The financing and construction of all projects will be carried out strictly within the normative schedules from 1987. In view of this, capital investments and ceilings for subcontracted work on all the construction projects included in the plan must be established by USSR ministries and departments in accordance with norms for the duration of construction work.

Capital investments are concentrated on the construction of the most important projects, and the number of new construction projects being started is reduced. The USSR Council of Ministers has instructed ministers, leaders of departments, and union republic councils of ministers, under their own personal responsibility, to examine plans and itemized lists of construction projects with a view to ensuring that they meet present-day demands in terms of construction schedules and technical standards.

In connection with changes in the organizational structure of management and the spheres of activity of the union construction ministries, major capacities are handed over to the direct jurisdiction of union republic councils of ministers. Their role in organizing construction is increased greatly. In this connection they must in no way lessen their attention toward the construction of projects of statewide significance.

Beginning in 1987, construction organizations will be transferred onto full financial autonomy and self-financing. The USSR Gosstroy, USSR construction ministries, the USSR Gosagroprom, the USSR Ministry of Power and Electrification, the USSR Ministry of the Coal Industry, and union republic councils of ministers are instructed to accelerate the fulfillment of the measures that have been elaborated in order to improve management and economic management methods in construction and to seek a sharp improvement in the state of affairs in this sector.

Great opportunities are being opened up here. In October the party Central Committee adopted a resolution on the wide introduction of the experience acquired in working under the collective contract system by the No. 18 "Mosoblselstroy" Trust, headed by Hero of Socialist Labor Nikolay Ilich Travkin. This trust, which formerly operated at a loss, working on full financial autonomy and self-financing and using virtually the same material base, produced 50 percent more commodity construction output in 1985, while labor productivity increased by more than 20 percent, prime cost fell by 12 percent, wages increased by 11 percent, and R1.5 million of profit was obtained. Moreover the trust offered to carry out additional work, over and above the basic plan,

in repairing apartments for the population. The dissemination of this experience everywhere in construction will mean a concrete contribution to the acceleration and restructuring.

Social Development and Improvement of the People's Living Standards [subhead]

Comrade Deputies! Questions of improving the Soviet people's living standards and developing the social sphere are constantly at the focus of our party's attention.

In 1987 it is planned to substantially intensify the social thrust of the plan. Approximately three-fourths of the increase in the national income are to be channeled into enhancing the people's well-being. It is planned to implement a package of measures affecting all aspects of Soviet people's life and to resolve important social questions ahead of the 5-year plan targets.

Centralized measures will be implemented to improve labor remuneration and to increase the wages of individual categories of workers and employees, enhance state benefits to families with children, improve the maintenance and education of the rising generation, and enhance the working people's social security. R2.8 billion have been set aside for these purposes.

Improved wages are one of the main levers to ensure production intensification and the accelerated development of production. The measures planned in this sphere will be implemented on the basis of the principle that the wages of collectives and individual workers must depend strictly on the quantity, quality, and end results of their labor.

In 1987 the wages of workers and employees will be approximately R201 per month and social-sector work payments to kolkhoz members will be R162 per month. This is more than is laid down in the 5-year plan for this year. Payments and benefits provided for the population from social consumption funds will also exceed the 5-year plan figures. The population real per capita incomes will increase accordingly.

Special attention has been paid to increasing the production of consumer goods and expanding services for the population. The task has been set of organizing the production of these goods and services at all associations and enterprises irrespective of their specialization, to increase the output of these goods and ensure a product mix that will meet trade organizations' demands, and to improve manufacturer's after-sales services.

Food supplies to the population are being substantially improved.

The USSR State Agro-Industrial Committee, the Tsentrosoyuz, and the union republic councils of ministers must create the necessary conditions to enable kolkhozes, sovkhozes, and other agricultural enterprises to fully exercise their right to sell vegetables, fruit, and berries directly to the population. Cooperative trade and markets have proved a great success. Up to 30 percent of this kind of produce could be sold in this way, but so far not enough of it is being marketed.

The demand for various kinds of light industry goods including high-grade goods will be more fully met. The output of modern goods and fashion articles will increase. The output of cultural and consumer goods and household articles is to increase by 12 percent, which is more than the 5-year plan target.

Supplies to the population of timber and construction materials will be improved, with market stocks being determined entirely according to the demands of trade. The union republic councils of ministers, the USSR Gossnab, the USSR Ministry of Trade, and

Tsentrosoyuz must organize smooth supplies of these materials to the trade network and also resolve all questions pertaining to the sales and delivery to the population of local construction materials.

In the system of measures to improve the people's living standards the development of the service sphere is assuming an ever-increasing importance. The plan pays great attention to this question. The volume of paid services is to increase by 9.5 percent, which is in excess of the 5-year plan target. The targets set for 1987 have to be regarded as a minimum.

The development of the service sphere depends to a decisive degree on local soviet and economic organs. At a number of places this work has still not started in earnest. What other explanation is there for the fact that in the Turkmen, Tajik, and Uzbek SSR's per capita paid services are 2-3 times less than the volume of services provided in the Baltic republics, for instance?

USSR ministries and departments and union republic Councils of Ministers must radically reorganize the work of all enterprises in the consumer service sphere, make wider use of the new organizational forms for the provision of services, and tackle more boldly the creation of the corresponding cooperatives.

Special attention has been paid in the plan to the accelerated development of housing construction and the strengthening of the material base of the sociocultural sphere.

It is planned to build a total of 126.2 million square meters of housing, which is much more than the 5-year plan target and exceeds the average annual figure for housing commissioned in the past 5-year plan by 15.8 million square meters. Substantial sums of money from enterprise funds are to be used to finance housing construction. This will make it possible to build 8.2 million square meters of housing. The volumes of cooperative and individual housing construction are growing.

The material base of public education and health care is to be further developed and strengthened. Kindergartens and creches with 880,500 places, general education schools with 1,283,700 places, and vocational and technical schools in the USSR State Committee for Vocational and Technical Education system with 150,500 places are to be commissioned and hospitals with 72,900 beds and heath centers and polyclinics capable of offering 182,100 consultations per shift are to be built. All this is considerably higher than the 5-year plan targets. The number of hostels for the aged and disabled to be commissioned will almost treble.

Considerably more work is to be done in the sphere of environmental protection.

The main thing now is to assimilate the funds that have been set aside and to fully implement the targets for the development of the social sphere. In the current year the construction of housing and other installations in this sphere is lagging behind the plan. USSR ministries and departments and union republic councils of ministers must resolutely change their attitude to this most important question of social policy.

Economic And Social Development of the Union Republics [subhead]

Comrade Deputies! The plan for the union republics has been compiled in accordance with the 5-year plan.

The CPSU Central Committee, USSR Supreme Soviet Presidium, and USSR Council of Ministers resolution adopted in July 1986 "On Measures To Further Enhance the Role and Step up the Responsibility of Soviets for Accelerating Socioeconomic Development in the

Light of the 27th CPSU Congress Decisions" is of tremendous significance for resolving the tasks outlined in the plan. Soviets must make full use of this resolution's provisions to ensure the comprehensive development of the economy and the sociocultural sphere, to accelerate the growth rate and efficiency of production, and to improve economic cooperation among enterprises and organizations on the territory in question. It is important to ensure the harmonious combination of territorial and sector principles in the development of the economy, increasing the contribution by republics, krays, and oblasts to strengthening the country's unified national economic complex.

Special attention must be devoted to the balance between the population's money incomes and expenditure. This applies above all to the Uzbek SSR, Kazakh SSR, Georgian SSR, Azerbaijan SSR, and Turkemn SSR Councils of Ministers. It is necessary to comprehensively develop the agro-industrial complex and to satisfy more fully the needs of the republics' populations for food out of their own produce.

In all union republics, krays, and oblasts the transition to a multishift work regime will be carried out on a wider scale.

In accordance with this local organs must restructure the work schedule of public transport, kindergartens, and other enterprises and organizations of the social infrastructure so that they provide the most favorable conditions for production collectives. Here, too, the soviets' role is paramount.

The plan makes provision for concrete targets for the development of each republic.

In the RSFSR machine building and the gas and chemical industries will develop at a preferential rate. The economy and social sphere of the Non-Chernozem Zone will be further developed.

Great attention is devoted to increasing the economic potential of the Siberian and Far Eastern regions. Higher rates of development are envisaged for the power, oil extracting, coal, chemical, timber, and wood processing industries, and nonferrous metallurgy in this region than in the country as a whole, the development of the social sphere will be accelerated considerably, and there will be an increase in the amount that these regions themselves produce to meet their own food needs. A comprehensive program has been formulated for the accelerated socioeconomic development of the Far East and the Transbaykal region through the year 2000. The implementation of this program will begin as early as 1987.

In regions of the European part of the country the main emphasis has been placed on increasing the efficiency of the utilization of the powerful production potential created there. Machine building will develop at a high rate in the Ukrainian SSR. The metallurgical industry is geared toward producing more efficient types of metal output. The modernization of coal mines in the Donbass will continue. In the Belorussian SSR preferential growth rates are envisaged in machine tool building, instrument making, radio engineering, and machine building for stockraising and feed production. The production of machine tools with digital program control and of processing centers will increase. In the Baltic republics the preferential development of radio electronics, instrument making, machine tool building, and the chemical industry is envisaged. It is planned to further deepen the republics' specialization in high efficiency meat and dairy stockraising and in hog-raising for meat [bekonnoye svinovodstvo]. In the Moldavian SSR the capacities of the agro-industrial complex will be built up, including for the production of fruit juices, canned fruit and vegetables, and other produce, and machine building will be developed.

In the Kazakh SSR the power industry, gas extraction, the chemical and petrochemical industries, and machine building will enjoy accelerated development. The ore base of nonferrous metallurgy will be strengthened still further. The republic's most important task remains to increase grain production.

The plan envisages the fuller involvement of the able-bodied population of the Central Asian and Transcaucasian republics in social production. It is planned to further develop the agro-industrial complex and a number of industrial sectors and to expand the network of subsidiaries and shops of large enterprises in small cities and rural population centers, where the available [svobodnyye] labor resources are mainly concentrated.

Foreign Economic Ties [subhead]

Comrade Deputies! The plan for foreign economic ties has been formulated in the light of resolutions adopted on the fundamental improvement of foreign economic activity.

The socialist economic integration of the CEMA members will expand and deepen. In addition to the increase in the volume of reciprocal trade, there will be a considerable development of new forms of cooperation, such as wide-scale coproduction [kooperatsiya], direct production links, and the creation of joint enterprises. Joint scientific and technical activity will be actively developed, enabling fuller and more rational use to be made of the CEMA countries' potential for creating and introducing fundamentally new equipment and technology.

The Soviet Union will continue giving economic and technical assistance to the developing countries in strengthening the most important sectors of their economies. Trade and economic ties with the developed capitalist countries will continue to be carried on.

In the foreign economic activity sphere the rights of ministries, departments, associations, and enterprises have been considerably expanded and their responsibility increased. They are to focus main attention on increasing the export potential and increasing the effectiveness of foreign economic activity.

Esteemed Comrade Deputies!

Next year marks the 70th anniversary of the Great October revolution. This is a most important event in our motherland's history. The jubilee year is to play a great role in the realization of the plans for the acceleration of socioeconomic development. All the levers of restructuring and all our will are being concentrated on ensuring the further development of the economy and the people's well-being.

The 1987 plan sets high targets. Their fulfillment is directly linked to the new principles and approaches to the solution of economic and social problems.

The fulfillment of the plan targets requires selfless labor from workers, kolkhoz members, and the intelligentsia and much purposeful organizational work from party, soviet, and economic organs and social organizations in ensuring all the conditions necessary for highly productive labor at every enterprise and work place and the wide-scale launching of socialist competition.

Successfully fulfilling the 1987 plan means taking a major step in implementing the 27th CPSU Congress' historic decisions. (Applause)

GOSTEV BUDGET REPORT TO SUPREME SOVIET

PM171900 Moscow PRAVDA in Russian 18 Nov 86 First Edition p 3

["On the USSR State Budget for 1987 and on the Implementation of the Budget During 1985; report by Deputy B.I. Gostev, USSR Minister of Finance" -- PRAVDA headline -- delivered at 17 November joint session of USSR Supreme Soviet Soviet of the Union and Soviet of Nationalities]

[Text] Comrade Deputies! The USSR Council of Ministers submits for your examination the USSR State Budget for 1987 approved by the CPSU Central Committee Politburo. In the 2d year of the 5-year plan Soviet society is to take yet another major stride along the path of socioeconomic acceleration, a start to which was made by the CPSU Central Committee April (1985) Plenum.

As the state's basic financial plan, the budget materializes the key directions of the unified financial policy and concentrates the monetary means for the development of physical production and for enhancing the people's well-being.

The budget proceeds from the 5-year plan targets approved by the USSR Supreme Soviet, is based on the positive shifts in the Soviet economy, and envisages the creation of a financial base and further advance in all avenues of social progress.

Preliminary Results of the Implementation of the USSR State Budget in 1986 [subhead]

For our country and for all progressive mankind, the outgoing year will go down in history as a milestone. This has been the year of the 27th CPSU Congress and the 1st year of the 12th 5-Year Plan. The strategy of acceleration, the strategy of bold decisions and truly revolutionary actions is the pivot of the party's and the people's activity. Radical restructuring is gathering momentum. All this indicates, M.S. Gorbachev noted at the CPSU Central Committee June (1986) Plenum, that the congress' ideas are firmly entering into the consciousness of society and are objectively predeterimining the irreversibility of the processes taking place.

Of these, the decisive ones -- the intensification of the national economy and the enhancement of the growth rates of social production -- are having a salutary effect on the implementation of the plan and budget.

In 1986 the targets for profit -- one of the generalizing economic indicators -- are being successfully fulfilled. Its increase -- 9 percent -- is higher than the annual average in the preceding 5-year plan. More effective use has begun to be made of all types of resources, and the prime cost of output has been reduced. About R1 billion will be saved merely from reducing the proportional expenditure of raw materials, semimanufactures, fuel, and electric power.

Budget revenues have increased. Above-plan receipts from profits will amount to R3.5 billion. Basic measures for the development of industry, agriculture, construction, science, education, public health, and other sectors have been thoroughly financed [profinansirovany] in good time.

At the same time, the current year has shown that in addition to positive trends, there are still many unresolved problems and bottlenecks in the economy.

In many sectors of industry and construction, and in agriculture the serious shortcomings in financial and economic work have so far not been surmounted. A large number of enterprises are failing to cope with targets for the reduction of overheads, and for profitability growth. The shortfall in profits yielded by the USSR Ministry of

the Petroleum Refining and Petrochemical Industry, the USSR Ministry of Light Industry, the food industry of the USSR State Agro-Industrial Committee, the USSR Ministry of Machine Building for Animal Husbandry and Feed Production, and the USSR Ministry of Construction in the Far East and Transbaykal Regions amounts to more than R1 billion. Budget revenues are not being fully covered in the Kazakh SSR, the Kirghiz SSR, and the Moldavian SSR.

In budgetary resources the receipts from turnover tax will amount to R92.2 billion which is less than planned. Of course, the restriction of the production and sale of wines and spirits has taken its toll here, but the chief reason is that this line, which is absolutely correct, is not being backed up everywhere by specific deeds in order to make up revenues by building up the output of needed consumer goods. The experience of a number of republics, oblasts, and cities shows that such potential exists but on the whole it is being utilized inadequately.

The unstable conditions of the world market and price fluctuations, especially as regards petroleum and petroleum products, have affected budget revenues from foreign trade.

During the year the state has needed to make expenditures which could not have been foreseen. This has been reflected in the implementation of the budget. For the purpose of maintaining equilibrium between revenues and expenditures, constant attention has been paid to the economic use of resources.

USSR ministries and departments, the councils of ministers of union republics, local soviets' ispolkoms, associations, and enterprises are obliged to switch more rapidly to new methods of economic mangement and to take all steps for the implementation of the budget and financial plans.

Basic Indicators of the 1987 USSR State Budget [subhead]

Comrade Deputies, allow me to report to you on the indicators of the 1987 USSR State Budget. It is based on the 27th CPSU Congress guidelines on the need for finance and credit to exert a more active influence on speeding up the transfer of the economy onto an intensive-growth footing.

The budget distinguishes a number of fundamental features. This is above all concerned with stepping up its social thrust.

Furthermore, financial priorities are accorded to the acceleration of scientific and technical progress, the practical implementation of measures to enhance social production efficiency, the tightening of the policy of thrift, and the development of financial autonomy relationships within the national economy.

The line of combining financial centralization with expansion of the rights and enhancement of the material accountability of sector ministries, local management bodies, and labor collectives for end results is being effectively pursued.

The budget fixes income at R435.5 billion and expenditure at R435.3 billion, with an excess of income of R200 million. The budget retains the preponderant role in the accumulation and distribution of all our financial resources. More than 60 percent of them are concentrated in centralized monetary funds for financing economic and social measures.

Receipts from the socialist economy are the decisive source of income. They amount to nine-tenths of all budget resources:

	Billion Rubles		
	1986 Confirmed	1987 Draft	Growth in Budget Resources
Receipts from the socialist economy	382.0	400.8	18.8
Payments from the population	32.5	34.7	2.2

The role played by profit in forming state monetary accumulations and strengthening the financial base of associations and enterprises will increase. In terms of the national economy as a whole profit will amount to R200 billion. It is of fundamental importance that more than 40 percent of that sum will remain with labor collectives to develop production and social needs.

Turnover tax maintains a significant proportion of state income. In 1987 receipts from it are fixed at R96.3 billion, that is to say, more than 22 percent of budget income.

State tax payments into the budget by the population amount to R32.4 billion, or 7.4 percent of all budget resources. Taxes are computed according to rates which have remained unchanged for many years. Pensions and various kinds of state allowances are completely free of tax. As for unearned income, an implacable struggle is being and will continue to be waged against it.

Expenditure for the 1987 USSR State Budget in its basic areas is represented by the following figures:

	Billion Rubles		
	1986 Confirmed	1987 Draft	Growth in Budget Expenditure
National economy	235.7	247.3	11.6
Sociocultural measures	131.9	140.6	8.7
Defense	19.1	20.2	1.1
Management	3.0	2.9	-0.1

A firm financial foundation is being laid for the broad program of reconstruction and structural restructuring of social production planned for 1987. A total sum of R452.8 billion from all sources will be channeled into financing the national economy, which is R11.2 billion more than this year. Some 45.4 percent of the total sum of expenditure is represented by associations' and enterprises' own funds. Their proportion is even higher in a number of sectors: 58.4 percent in light industry, 62 percent in the fuel and energy complex, 78.3 percent in machine building, and 75.5 percent in transport.

Great importance attaches to bank credits in the system of financing the national economy. The total sum of credit investment by the end of 1987 will exceed R470 billion.

Money is being provided for scientific and technical work. Some R30.8 billion is being allocated for scientific research, which is 6.3 percent more than appropriations for the current year. These funds must be concentrated along avenues producing the greatest economic benefit.

The intensification of the social orientation of the budget, of sector financial plans, and of banks' credit plans is specifically expressed in the volume of finance for measures directly linked with satisfying people's material and spiritual needs. About 60 percent of all budget appropriations and 80 percent of the growth in banks' credit

investment are earmarked for expanding the production of foodstuffs, consumer goods, and all kinds of services, developing education, health care, and the entire area of social and cultural services, and building housing. Considerable resources for social needs are also allocated under enterprises' financial plans.

On the whole, expenditure on the implementation of the social program from all sources is set at R380 billion, which is R20 billion more than than in the 1986 plan.

The foreign economic section of the budget, as in the plan, is oriented toward expanding our country's participation in the international division of labor.

With regard to the priority development of relations with socialist countries, the budget allocates funds for the deepening and expansion of socialist economic integration on the basis of using new and advanced forms of economic mutual relations and implementing the Comprehensive Program for the CEMA Countries' Scientific and Technical Progress.

The necessary funds are also being allocated for the USSR's economic cooperation on a mutually advantageous and equal basis with developing countries and also with developed capitalist states.

Our plans for socioeconomic development are aimed at peaceful constructive labor and fruitful cooperation in the world arena.

The Soviet Union invariably opposes the senseless waste of vast human, material, and financial resources on the arms race. A switch to the path of real disarmament would make it possible to release funds by the billion for constructive purposes and to assist the peoples striving to eliminate their economic dependence and backwardness.

The Reykjavik meeting and subsequent events confirm that the United States continues to aim for military superiority. And as long as military threat from militarist imperialist circles exists, our Armed Forces will receive as much funds as are required to maintain the country's reliable defense capability.

Defense appropriations in the USSR State Budget for 1987 are set at a sum of R20.2 billion. Their share of total expenditure remains at this year's level -- 4.6 percent.

Financing the Material Production Sectors [subhead]

Comrade Deputies! The 1987 plan for financing the national economy ensures the balanced and dynamic development of material production, the economic foundation of our society and the source of national income growth.

In industry considerable financial resources will be channeled into the sectors that determine scientific and technical progress and the qualitative transformation of the entire production potential. Industrial ministries, associations, and enterprises are being allocated R233.2 billion, which is 6.3 percent more than the current year's appropriations. Prefential rates are applied to the financing of machine building -- 11.5 percent. The fuel and energy complex is an object of special concern. R1 out of every R4 of state investment in industry is being channeled there.

Under the new conditions of economic management, to which the whole of industry will be transferred next year, associations' and enterprises' own accumulations, and profits in particular, will become the main source of finance. The 1987 plan sets profits at R119.7 billion, an increase of 8.8 percent.

An orientation toward a radical improvement in the utilization of all types of resources is clearly discernible in the plan and budget targets. This is intended to account for more than half of profits growth. The prime costs of industrial production are planned to fall by 0.8 percent against an average of 0.3 percent in the years of the 11th 5-Year Plan period.

I would like to dwell in particular on the importance of reducing production costs. It is this most important indicator that shows to a large extent the economy's real transition to the intensive path. It must be said that the control of prime costs slackened in the early eighties, while their decline was even halted in a number of sectors. There is no doubt that changes for the better are occurring now, but not everywhere and not always with sufficient energy.

Evidence of this is provided by data from a number of ministries. For example, during the last 5-year plan period expenditure rose faster than output at enterprises under the jurisdiction of the USSR Ministry of the Production of Mineral Fertilizers. They increased by 50 percent against a 40 percent increase in output. The situation is being rectified only slowly. During the first 9 months of this year one in every four enterprises under the ministry allowed an increase in the prime costs of its output totaling R78 million. The struggle being waged by the USSR Ministry of the Machine Tool and Tool Building Industry, the USSR Ministry of the Electrical Equipment Industry, and some other ministries for saving on expenditure is lax.

The vast reserves for reducing production costs can be judged by the differences in the level of prime costs for similar types of output. Take for example, the production of bricks by enterprises under the USSR Ministry of the Construction Materials Industry. The discrepancies here are striking. While the average prime cost is R47.7 per 1,000 bricks, the figure for Rostov's No. 2 Plant is R33.1, that for the Ruzayevskiy Plant is R79.6, and that for the Kansk Plant is R135.2. Such differences cannot be justified by any references to objective conditions. They are the result of poor technical standards and shortcomings in the organization of production.

The reduction of time taken for the turnover of raw and other materials and finished products is an effective reserve for making savings.

During the last 5-year plan period the growth rate of material stocks was almost double the growth rate of industrial output. Stocks held in excess of normatives by the USSR Ministry of the Electrical Equipment Industry and the USSR Ministry of Chemical and Petroleum Machine Building are almost one-third higher than the normative.

The importance of rationalizing stocks is proved by calculations: Reaching progressive normatives for stock ceilings per R1 of output volume will make it possible to release R1.3 billion in 1987 in industry alone. The solution of this task must be unflaggingly monitored.

Much work has to be done in 1987 on the technical renewal and modernization of industry's production capital, with around R90 billion allocated for this purpose. The fuller utilization of existing potential and a sharp increase in the workload of machines and equipment are a major reserve for economic growth.

Yet this is rarely paid due attention. Many enterprises and ministries have come to accept diminishing returns on investment, and consider this trend almost natural. In the last 5 years, for example, industry's fixed production capital in the USSR Ministry of the Chemical Industry increased by 38 percent, while production of output increased by only 24 percent. The return on investment in the USSR Ministry of Light Industry fell by 22 percent during the 11th 5-Year Plan period. The machine shift index in machine building remains practically at the 1980 level.

An increase in the degree of utilization of production capacities does not always involve large outlays but can produce tangible results. Such opportunities exist in every enterprise. They must be mobilized more swiftly.

The Leningraders' initiative to increase the shift index is meeting with support everywhere, and the necessary conditions for its broad dissemination are being created. The transition of basic production to two-shift working, and of highly productive unique equipment to three-shift working, will, apart from anything else, release considerable resources for social needs.

Paramount importance for the acceleration of socioeconomic progress and the consolidation of sectors' finances attaches to the fundamental improvement of output quality. The poor technical standard of many types of machines and equipment inflicts considerable damage on the national economy. The population's interests suffer through the frequently unsatisfactory quality of mass consumer goods.

The producers of output must bear complete material responsibility for their output's consumer qualities. The financial effect of this aspect of work is being stepped up. Losses from substandard output and costs on reparing it will have a direct effect on economic incentive funds. In other words, the collectives will have to pay from their own pockets for poor quality -- the worst form of waste.

Generally speaking, there are many reserves and opportunities in industry. They must be activated more quickly and the level of economic management must be substantially raised.

Material and financial resources in the agro-industrial complex will be concentrated on implementing the targets of the USSR Food Program. A sum of R166 billion, or more than one-third of all investments in the national economy, will be channeled into the development of agricultural production and its related sectors. Some 59 percent of this sum represents budget appropriations and bank credits.

The new economic management machinery, which gives scope to economic methods, is designed to promote the achievement of high results in agriculture. Emphasis is placed on the strengthening and development of financially autonomous relations. For this purpose the organization of finances will be changed fundamentally: Their formation will be transferred completely to a normative base. Profits distribution is freed from detailed regulations. More than 75 percent of the total profits of R46.5 billion will remain on the farms. Rayon, oblast, and republic organs will have an opportunity to form centralized financial reserves to a sum of approximately R6 billion.

Together with measures to strengthen the agro-industrial complex' own financial base, the state will allocate R7 billion from the budget to pay for deliveries of equipment, electricity, mineral fertilizer, and feed to kolkhozes and sovkhozes at preferential prices.

The state budget envisages subsidies of R58 billion to make up the difference between purchase and retail prices for the main types of foodstuff: meat, milk, animal fat, potatoes, and other products.

A favorable financial situation is being created in all components of the agro-industrial complex. Each farm can earn income from boosting production, cutting costs, and making sensible use of resources.

However, in a number of areas these possibilities are not being fully utilized. Attention is not being devoted to reducing the prime cost of crop farming and livestock products. Despite increases in purchase prices the number of loss-making kolkhozes and

sovkhozes is being reduced only slowly. Expenditure on wages often grows faster than output volume. For this reason the state has had to consent to further extensions of bank loans.

Better financial and economic results are expected in 1986. But this is only the beginning. It is planned to further improve economic management efficiency and accelerate the introduction of effective financial autonomy and the team contract on kolkhozes and sovkhozes and at processing enterprises. Today the spotlight is on improving returns from the production potential that has been accumulated and increasing the output of food and agricultural raw materials for each ruble invested.

Major resources will be allocated to develop the construction complex. The state of affairs here will largely determine the rate at which social production is restructured and the social program implemented. Overall expenditure on state capital investment will reach R172.4 billion, which is R8.4 billion more than in the current year.

It is planned that the budget and bank resources for financing the construction of the most important projects and intersector production facilities will provide over R80 billion, or 46.8 percent of all expenditure on state capital investment. Furthermore, USSR ministries and departments and union republic Councils of Ministers will mobilize their own funds to the tune of around R92 billion.

The measures to improve the economic mechanism, to create an economic interest in commissioning fixed capital as quickly as possible, to reduce construction costs, and to improve construction quality are designed to promote an improvement in the effectiveness of the investment process. Construction and installation organizations are being switched to full financial autonomy and self-financing, their rights are being expanded, and their responsibility for end results is being increased.

All these measures are aimed at ensuring high national economic returns and overcoming construction schedule overruns as quickly as possible. In 1987 the concentration of funds on carryover construction projects and projects scheduled for completion will ensure that the rate at which fixed capital is commissioned outstrips capital investment growth by 40 percent. It is planned to commission R2.6 billion worth of above-normative stocks of uninstalled equipment.

The intensification of construction is being hampered by the stubborn reluctance of certain leaders to break with the practice of dissipating funds and resources. Certain ministries and departments put forward itemized lists of carryover construction projects for 1987 which were covered by 43 percent less capital investment than the norms specify. This "approach," which deliberately damages the state, had to be rectified. Indeed, can we tolerate a situation in which, for instance, at the USSR Ministry of the Chemical Industry's Kazan Domestic Chemicals Plant construction of an aerosol container production facility has been under way for 10 years -- 2.5 times more than the norm. Its estimated cost has increased by 48 percent, or R7.5 million, compared with the initial estimate. Yet with those funds 5 apartment blocks of 100 apartments each could have been built!

A great deal depends on restructuring the activity of subcontracting construction and installation organizations. In the current year construction has been given financial assistance to the tune of R8.5 billion. The scale of its own circulating capital has increased. In short, there are favorable prerequisites for smooth work. With this in mind construction organizations' profits should grow by 11.7 percent.

In 1987 it is planned to make a resolute breakthrough in the construction economy, to put a stop to dissipation of funds, and to improve financial results. The consolidation of small enterprises and the elimination of duplicative organizations should be accelerated and losses cut.

For their part, the USSR Bank for Financing Capital Investments, the USSR Gosbank, and financial organs should make fuller use of their monitoring rights, analyze the construction economy more profoundly, and promote more vigorously the establishment of new forms of financial and credit relations among all participants in the investment process.

In transportation and communications sectors financial investment will fund a program to further intensify production and improve workers' social and consumer service conditions. Total expenditure in these sectors will be R31.3 billion.

As of 1 January 1987 all railroads will switch to the working system approved during the experiment on the Belorussian Railroad, which will make it possible to save more tnan R1 billion by the end of the 5-year plan. The USSR Ministry of the Maritime Fleet will switch to complete financial autonomy.

Thus, in 1987 material production sectors will create the necessary financial conditions for strengthening their own economic base and solving social problems. Considerable funds are being channeled into this. At all sectors it is necessary to strive to increase the return on state investment and resolve the tasks of acceleration with the least expenditure of material, labor, and financial resources.

Funding the Growth of the People's Material and Cultural Living Standard [subhead]

Comrade Deputies! The State Budget is aimed at the consistent implementation of the large-scale social program advanced by the 27th CPSU Congress.

The budget incorporates new approaches to the formation and utilization of resources for the development of the social sphere; the residue principle for allocating resources is being discarded.

Provision has been made for full financial backup for the measures to boost the people's prosperity mapped out for 1987 by the 5-year plan. Some R2.8 billion is being allocated for new centralized measures alone. Appropriations for the repayment of state internal loans are also planned.

It should also be noted that expenditure on improving working people's living conditions out of enterprise funds is also being substantially increased. Just during the year material incentive, sociocultural, and housing construction funds will increase 12.7 percent and exceed R25 billion.

Everything must be done to make effective and purposeful use of the enormous resources for satisfying more fully Soviet people's diverse material and spiritual requirements and consistently asserting the principle of social justice. This will make it possible to increase working people's interest in increasing production and improving output quality.

Major measures have been mapped out to improve the remuneration of labor -- the main source of the population's income.

In accordance with the CPSU Central Committee, USSR Council of Ministers, and AUCCTU resolution the 12th 5-Year Plan will see the introduction of new wage and salary rates for 75 million workers and employees in production sectors. A great deal of preparatory work lies ahead in this connection. The specific deadlines, scale, and magnitude of the wage and salary rate increases will depend on the readiness of enterprises themselves, on their ability to find the necessary funds by mobilizing internal reserves. Job certification should be carried out and labor organization improved at every enterprise. Ministries, departments, financial organs, and labor organs must give enterprises the necessary assistance.

The State Budget also makes provision for resources to complete the regularization of public education workers' wages, increase the labor remuneration of individual categories of health care specialists, and embark on increasing remuneration in cultural establishments.

With a view to recruiting and keeping cadres, 1987 will see the introduction of regional wage coefficients for those categories of workers and employees for whom they have not yet been established -- in the Urals and northern and eastern regions of Kazakhstan.

Big resources are being allocated for improving social provision and social insurance. Expenditure on these objectives will total R66.4 billion, or R4.2 billion more than this year. The state social insurance budget has been set at the sum of R55.1 billion. Pensions for 58 million people are funded from these resources. Previously instituted pensions for most kolkhoz members are being increased. Over 15 million workers and employees will receive free and preferential-rate travel passes to trade union health resorts, and 16 million will receive travel passes to young pioneer camps.

There will be a further increase in state assistance to families with children. The size of allowances for people who have been invalids since childhood is being revised. The duration of paid leave for tending a sick child will be increased for working mothers.

The growth in labor remuneration, pensions, and allowances will lead to an increase in the population's effective demand. Hence stems the significance attached to the fuller satisfaction of this demand.

The 1987 plan and budget broaden the economic and financial potential for increasing the production and sale of consumer goods and the provision of paid services, improving their quality, and increasing the purchasing power of the ruble. This is being promoted by the consistent implementation of the USSR Food Program and the Comprehensive Program for the Development of Consumer Goods Production and the Services Sphere.

Funds for the development of light industry, which produces over half of all nonfood products, are increasing 17 percent in comparison with the current year and will reach R9.5 billion. The sector is among the first to switch to full financial autonomy and self-financing. The USSR Ministry of Light Industry must make thorough preparations for this and first and foremost rectify the financial situation at many enterprises.

Big funds are being channeled into consumer goods production through heavy industry ministries' financial plans.

Retail trade turnover will increase by more than R20 billion and will total R353.7 billion (in real prices).. The volume of paid services to the population will increase 9.5 percent. Investments in the trade and consumer services area have been set at R8.9 billion.

As of next year a new economic management mechanism is being introduced in trade and the consumer cooperative system. An effective lever has been created for influencing the structure and volume of trade turnover in line with customers' requirements.

The role of local soviets in improving money circulation and the balance between money incomes and the supply of services and goods is increasing. And the USSR Gosbank must be more active here, of course. Its institutions are called upon to take a more purposeful approach to the fulfillment of cash plans and monitor more stringently the expenditure of wages funds and the observance by every enterprise of the correct correlation between the growth rates of wages and labor productivity.

The budget devotes particular attention to the accelerated development of housing construction and the sociocultural sphere. Some R32 billion is being channeled into housing construction out of all sources of finance. This will make it possible to increase the commissioning of housing space on a bigger scale than envisaged for 1987 by the 5-year plan targets. A state subsidy of R6 billion is being allocated for the maintenance and repair of housing.

Expenditure from the budget and by enterprises on financing education, health care, social provision, culture, and sport will reach R143.3 billion, which is R10.9 billion more than the current year's expenditure. The increase -- 8.3 percent -- is 50 percent greater than the overall increase in budget expenditure. Appropriations for education, culture, health care, and physical culture will grow at a high rate.
Budget expenditure for individual types of sociocultural measures will total:

Billion rubles

	Approved for 1986	1987 Draft	Increase in budget expenditure
Public education, science, and culture	52.2	55.1	2.9
Health care and physical culture	17.5	19.1	1.6
State social provision and social insurance	62.2	66.4	4.2

There is full funding provision for all measures relating to the reform of general and vocational education and the development of higher education. This also applies to cultural and arts organizations.

State property and personal insurance and savings bank services are increasingly popular with the population. By the end of the year the number of voluntary insurance contracts will reach 200 million -- that is, each family will have an average of 2.5 contracts. The amount paid out under insurance agreements will total R7.7 billion. It is planned that the population's savings bank deposits will total R260 billion by the end of the year.

State insurance and savings bank workers must improve the quality of their service and broaden the range of services on offer.

The ever increasing volumes of financial resources going into the sociocultural sphere increase the demands made on their efficient utilization. There are substantial shortcomings here. New schools and preschool establishments failed to be commissioned in the Uzbek SSR and the Moldavian SSR, for example. Funds allocated for these purposes in such an upcoming area as Tyumen Oblast are not being fully utilized.

Acute questions of environmental protection are arising at the present stage of the development of industrial production. In 1987 around R10 billion is being allocated for nature conservation measures out of the budget and enterprise funds. The procedure for determining and compensating for damage caused to nature has been made more stringent. Enterprises' liability for noncompliance with sanitary, ecological, and other norms is being increased.

State Budgets of the Union Republics [subhead]

Comrade Deputies! In the current year all republics have achieved an upsurge in the economy, science, and culture. Their economic cooperation has strengthened, and the contribution of each of them to the strengthening of the country's unified national economic complex has increased.

The republics' budgets totaling R193.8 billion are included in the USSR State Budget, and they account for 44.5 percent of the USSR State Budget.

The state budgets of the union republics are submitted for revenue and expenditure in the following sums:

	million rubles
RSFSR	05,271
Ukrainian SSR	34,221
Belorussian SSR	8,212
Uzbek SSR	8,896
Kazakh SSR	12,242
Georgian SSR	3,150
Azerbaijan SSR	3,096
Lithuanian SSR	3,782
Moldavian SSR	2,722
Latvian SSR	2,593
Kirghiz SSR	2,264
Tajik SSR	1,975
Armenian SSR	2,063
Turkmen SSR	1,637
Estonian SSR	1,664

The overwhelming bulk of the expenditures -- almost 97 percent -- is earmarked for financing the national economy and sociocultural measures.

A resolution was recently adopted on the further enhancement of the role of union rublics and of local soviets in the solution of economic and social tasks. It envisages the expansion of their rights in determining ways of making the most effective use of financial resources allocated, taking local conditions into account.

In 1987, for the first time, a part of the payments from the profits of enterprises of union subordination that have been transferred to full financial economy will go to the local budgets. In certain cities and rayons of the RSFSR and Latvian SSR deductions into local budgets on the basis of normatives that are being determined based on the number of workers and the increase in the number of work places that are being introduced experimentally.

The opportunities of soviets for the joint use of the resources of economic units [khozyaystva] and also of budgetary allocations for the development of the social sphere have been expanded. The outlined measures will make it possible to substantially consolidate the financial base of the soviets.

At the same time greater attention needs to be paid to financial-economic work locally, and to overcoming parasitical sentiments. Of course, the necessary resources will continue to be allocated from the union budget for the development of the local economy. However, the volume of resources for the aforementioned purposes must be increasingly tightly coordinated with the efficiency of the regional economy.

A report on the implementation of the USSR State Budget during 1985 is also being submitted for the USSR Supreme Soviet's approval. The budget has been implemented 100.7 percent for revenue and 99.8 percent for expenditure. Deputies have before detailed information on this issue.

Restructuring Financial and Economic Work [subhead]

Comrade Deputies! The successful fulfillment of plans for economic and social development, the State Budget, and financial and credit plans for 1987 depends greatly on an improvement in the standard of financial and economic work. This task was defined as a priority by the 27th party congress.

At the present stage the role of finance is objectively increasing. It is necessary to change radically the content and methods of work of finance and credit organs. Financial levers should be used more actively to develop the economic autonomy and initiative of associations and enterprises and step up their responsibility for achieving the highest possible end results.

On this basis a range of urgent measures are being implemented to strengthen all components of the country's financial system, including the State Budget and credit and finance for sectors of the national economy. It is a question of developing an improved, more flexible finance and credit machinery in which the interests of society and of every labor collective are harmoniously linked.

In the course of restructuring the organization of finance, it is necessary to change the attitude still current among a certain proportion of economic managers, whereby finance is regarded as a secondary sector. This attitude, plus the widespread tendency to handle finance and credits mechanically, has substantially weakened the positions of financial autonomy.

In conditions where there has been a desire to achieve the plan at any price, without counting the cost, it became customary for a large number of enterprises not to fulfill plans for profit or for reducing prime cost. Even now we encounter loss-making, the tendency to "eat up" your own circulating resources, and a parasitical approach to financial provision for production. Lenin's well known words apply to such economic leaders even today: "They do not worry about saving the kopek they are given, nor do they try to turn it into 2 kopeks, but they draw up plans running into billions..." Requests for additional funds are received relatively frequently from ministries, departments, and union republics. And proposals to increase state revenue are extremely rare. It must become the rule for new requests to be submitted only when the resolutions adopted have been fulfilled or more effective ways of tackling the tasks set have been found.

The new management methods radically change the content of economic work, making it possible to increase its efficiency and give it a cost-cutting thrust.

The transition to full financial autonomy and self-financing and to long-term economic norms is inseparably linked to the improvement of the organization of financial affairs, first and foremost at enterprise level. Today it is not insistent petitions for the allocation of resources which will define their economic prosperity, but the actual end results.

At the same time the transition to true financial autonomy makes fundamentally new, high demands on the economic work of sector ministries. Their prime duty is to build relations with enterprises on an economic foundation and strictly observe their rights under financial autonomy.

The increase in the role of profit and its transformation into the main source of enterprises' production and social development calls for the organization of effective monitoring of the methods of formation of profit. It is necessary to resolutely cut short any attempts to "improve" financial results by means of the unjustified imposition of increased prices for output with no change in its technical standard or consumer properties.

From the very first days of the new year it is necessary to ensure the unconditional fulfillment of plan targets for financial indicators everywhere and to strengthen financial discipline. Every year one in four industrial enterprises, and one in three in construction, fails to fulfill plans for financial results. Moreover in 1985 13 percent of industrial enterprises made a loss. Their upkeep is basically a direct deduction from national income and an economic drain on society. If this age-old ailment were cured, in industry alone an additional R6 billion of profit could be obtained.

From next year a procedure is being introduced for financing enterprises that are planned to operate at a loss out of the funds of the sectors, on the basis of falling norms. It is envisaged that in the majority of sectors losses will be eliminated during the current 5-year plan.

The attitude of leaders at all levels toward finance is changing. An example is the experience of the USSR Ministry of Ferrous Metallurgy. Its enterprises started the current 5-year plan with large debts and an unstable financial situation. The ministry collegium drew up and is carrying out measures to reduce the prime cost of output and eliminate losses for individual types of output. The ministry received temporary help from the state under a guarantee of improving its work. It may be noted with satisfaction that in the first half-year the USSR Ministry of Ferrous Metallurgy fulfilled its commitments for additional profit.

As has already been noted, the transition to stable economic and financial norms is extremely important for the restructuring of financial and economic work. Where these norms are applied, a fundamentally different relationship emerges between the economic units and the financial system. For every ruble of profit, enterprises and associations retain a firmly stipulated proportion for the development of production, social needs, and material incentives for the workers. This really increases the economic interest of labor collectives. They will see beforehand the prospects for their development, they will be spared petty tutelage from above, and they will begin to be bolder in seeking out and utilizing reserves.

With the introduction of the normative method, centralized finances are also strengthened, and first and foremost the leading element -- the USSR State Budget. Concern for the state budget is based on the priority given to the interests of the whole people. Every enterprise should participate actively in the formation of state budget income.

It is from the standpoint of the new demands on management and organization of financial and economic work that the activity of banks should be reorganized. Credit has lost its true function. The credit mechanism has become complicated, cumbersome, and not very effective; in many respects it has departed from financial autonomy principles.

It is necessary step by step to reestablish in practice the fundamental principles of credit -- that bank loans are for a specific period, that they are to be repaid and secured; it is necessary to prevent any surplus monetary resources from coming into circulation and to increase the role of credit in intensifying production.

The management organization structure is being improved at all levels and in all components of the national economy. It is important not to relax efforts to improve the work efficiency of the management apparatus and simplify it considerably. This should be aided by the new procedure for planning and financing the managerial activity of associations and enterprises and introducing the normative method. Regulation of the size of the management apparatus and expenditure on its upkeep by higher instances is to be abolished. Enterprises are authorized to decide the size of individual

categories of working people. Savings in wages will not be taken over by the budget. The projected measures should help to make the managerial apparatus cheaper. At the moment there is a great deal of surplus fat in it. Enterprise leaders and labor collectives must establish order. Great trust is being placed in them, so they have a greater responsibility as well.

The 1987 budget takes into account savings as a result of a reduction in apparatus size in ministries, departments, and other management bodies centrally and locally.

Improving foreign economic ties and their performance is an integral part of the profound reorganization of management at all levels. In line with the decisions that have been made, it is necessary to introduce quickly an economic mechanism geared to giving associations and enterprises an interest in the results of foreign trade transactions.

Economic expenditure of foreign currency is a task of paramount importance. Import purchases must be regulated. They often take place without thorough economic validation and are not always linked to actual requirements. On occasions USSR Foreign Trade Ministry associations have simply followed ministries' dictates and have essentially contributed to the irrational expenditure of foreign currency.

The role of centralized foreign currency planning and control of expenditure of currency funds must be increased. The USSR Foreign Trade Bank has a special part to play in this. It is necessary to increase the impact of bank levers on the development of progressive new forms of economic cooperation and of the principles of foreign exchange self-sufficiency in foreign economic ties.

Comrade Deputies! The implementation of the program for restructuring finances depends to a decisive extent on cadres, their competence and ability to carry out able economic management. It is primarily a question of increasing leaders' responsibility for the effectiveness of the decisions they make and for operating without a loss. Our society must be reliably insured against all manifestations of mismanagement. To this end it is necessary to improve accounting and monitoring, tighten up economy measures, and launch an uncompromising struggle against losses, thefts of socialist property, and fraudulent accounting.

It is necessary to improve the activity of accountancy and control and auditing services. There must be real state controllers, boldly and resolutely unearthing instances of falsification of accounts, extravagance, and waste, and demanding that leaders make efficient use of all types of resources.

Recently a great deal has been done to improve and simplify reports. A number of types of reports have been abolished and paper work has been reduced. This work must continue in the future in order to spare experts a mass of paper that is of no use at all.

Workers in financial organs and banking establishments have been set responsible tasks. Finance workers must be in the forefront of the struggle for efficient economic management. Formalism and excessive paper work have still not been completely overcome in the sphere of finance and banking and there is evidence of a desire to work according to the old methods. It is necessary to accelerate the restructuring of the style and methods of work and to advance more boldly and resolutely along the path of intensifying the influence of financial and credit levers upon the economy.

Comrade Deputies! After approval by the USSR Supreme Soviet session the budget assumes the force of law. The main concern now is organizational work to ensure the practical implementation of everything that has been outlined. The targets for reducing the

prime cost and increasing profitability and profits must be passed down to labor collectives, and active efforts must be made at every sector to reveal reserves and ensure thrifty management.

It is beyond doubt that in the 2d year of the 5-year plan, too, the Soviet working people, with the will and energy characteristic of them, will launch socialist competition on a wide scale for the fulfillment of the plans for the country's economic and social development, achieve new successes in the implementation of the historic decisions of the 27th CPSU Congress, and greet the 70th anniversary of Great October in a worthy fashion. (Applause)

ACADEMY CHIEF MARCHUK ADDRESS TO SUPREME SOVIET

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[Unattributed account of speech by Deputy G.I. Marchuk, president of the USSR Academy of Sciences, at 17 November morning joint session of the USSR Supreme Soviet]

[Text] Esteemed Comrade Deputies! The USSR Academy of Sciences views the State Plan for 1987 from the standpoint of the reorganization of our economy, from the standpoint of the prospects of accelerating the country's socioeconomic development. From this viewpoint 1987 is a special year, a crucial year consolidating the positive trends that have emerged in the country's national economy, the year that will lay a sound basis for the long-term trend of our development.

We can all see clearly that since the CPSU Central Committee April (1985) Plenum a marked upsurge has begun in the rate of economic growth in our national economy's development. In the previous period industrial production increased by 3-4 percent per year, with a 2-3 percent improvement in labor productivity, but since the April Plenum the industrial production rate has risen to 5 percent and labor productivity growth has increased by 4.6 percent per year. There have been marked changes in the dynamics of agriculture and transport.

An analysis of the 1987 plan shows that it reflects and develops the basic concepts of scientific and technical progress laid down in the 5-year plan, the implementation of which will help national economic sectors to reach the highest frontiers of technology and know-how. And it is no accident that the 1987 plan was shaped and discussed from this very vantage point. Comrade N.V. Talyzin's report was basically devoted to the development of scientific and technical progress.

Another important feature of the plan is that as well as generalized indicators of scientific and technical progress, such as labor productivity, the output-capital ratio, resource saving, and the technical standard of output, it includes (for all national economic sectors) major targets on the development of concrete measures for scientific and technical progress, which will help to achieve these generalized indicators.

In 1987 the important task will be to consolidate and develop the acceleration that has occurred through intensive factors. And the 1987 plan corresponds to these tasks. For the first time the intention is for improved labor productivity to account for the entire increase in social production in the country. There should be a marked improvement in the dynamics of the output-capital ratio. A substantial improvement is also planned in resource saving as a result of a course toward more thorough processing of oil and timber and better quality metal products and raw materials. The fundamental task of bringing the amount of unfinished construction work down to the normative level has again been put forward as a realistic task.

At the same time, one very important task for 1987 is to do some solid groundwork and create the material and technical base for the development of our national economy, since we need acceleration not just for one year and not just for five years. It is the party's strategic course for the year 2000 and beyond. So the acceleration needs a firm foundation, above all in the form of economics from scientific and technical progress. The main thing here is the policy of updating existing production capital, retooling and remodeling production, and improving product quality. This was indicated by Mikhail Sergeyevich Gorbachev in the Political Report at the 27th party congress.

These talks can only be solved on conditions that fuller use is made of our country's enormous scientific potential. In these conditions the role of engineers designers, and technologists is vastly increased: It is their job to use fundamental research to develop new generations of technology and techniques for the year 2000.

It would be fair to call 1987 the year of machine building, since the growth rate of machine building output will substantially exceed the overall growth of industrial production. This will make it possible to switch to the large-scale updating of production capital in all national economic sectors.

It is important to place special emphasis on the fact that the plan sets the task of increasing the proportion of output matching world standards in the machine building ministries by 60 percent in 1987 alone. This is a very difficult but feasible task.

The draft State Plan devotes special attention to the accelerated development of production automation in all national economic sectors, especially in machine building. Statistics persistently indicate that the biggest labor productivity increase and improvement in the output-capital ratio and technical standards are achieved through comprehensive production automation.

Comprehensive automation is increasingly based on the use of flexible robotized systems that can be easily rearranged. The road to the future leads to fully automated production. There will be a 50-percent increase in output of highly productive equipment such as rotary and rotary-conveyor lines, which in many cases are unparalleled in terms of productivity.

The 27th party congress decisions envisage making planning and production preparations 3-4 times quicker. This is a clear call for more effective work by scientists and specialists in our scientific research institutes and design bureaus. The extensive introduction of automated planning systems is an important means of achieving this aim. The draft plan provides every machine building ministry with targets for raising the level of planning and design work automation by 50-100 percent.

The automation of all components of production and management is based, as is known, on the extensive use of computer technology, which is playing an increasingly important part in the intensification of the economy. In 1987 the implementation of the statewide program to create and develop the production of computer technology facilities and automated control systems, approved by the CPSU Central Committee Politburo, will be continued. The draft plan indicators accord with this task.

Of the areas of development of computer technology facilities envisaged by the plan I would single out three which are the most important at the moment. They are powerful computer complexes, personal computers, and microprocessors. They will create conditions for the utilization of computer technology in all spheres of the national economy.

Analysis shows that, in addition to comprehensive automation, the greatest national economic benefit is to be gained by introducing the latest technological processes in production. So targets for establishing technological processes -- plasma, radiation, laser, and impulse treatment, new powder metallurgy methods of welding, membrane methods in chemistry, and others -- are an important component of the draft State Plan. These technologies will be implemented primarily by intersectoral scientific-technical complexes -- MNTKs.

The Ukrainian SSR Academy of Sciences Paton Institute of Electric Welding was the prototype MNTK. It is MNTKs that produce the most progressive innovations. Intersectoral complexes are a new concept for us, so their formation and initial development period are producing sress and difficulties. But the significance of MNTKs in terms of accelerating scientific and technical progress will constantly increase, therefore they demand special attention.

In line with the tasks delineated by the CPSU Central Committee and USSR Council of Ministers resolution, the draft plan envisages intensive development of biotechnology, on which we pin great hopes. Biotechnology includes genetic engineering, feed and food protein synthesis, and new medicines. In other words, it is a dynamic sphere of science and technology which plays an important part in the scientific and technical progress of many national economic sectors. Using biotechnological methods, it is proposed in 1987 to obtain over 250,000 metric tons of elite virus-free seed potatoes. This will make it possible to increase the yield by 40-50 percent compared with the yield obtained by the traditional method. And this is only the start.

It should be noted that the draft plan generally devotes a great deal of attention fo questions of scientific and technical progress in the agro-industrial complex. Targets are envisaged for expanding and introducing intensive techniques in crop production and livestock raising and progressive new processes for the production, processing, transportation, and storage of products, and the planned cultivation of grain crops by intensive techniques over an area of 35.7 million hectares will make it possible to obtain around 30 million metric tons of extra grain in 1987.

In summing up, it can be said that in 1987, by expanding the use of highly productive equipment and progressive production processes, the labor of one million working people in industry will be saved and savings from the reduction in the prime cost of industrial output through the use of scientific and technical achievements will amount to more than R5 billion.

As for the development and use of fundamental and applied research, the draft plan contains a considerable number of targets for the use of fundamentally new generations of equipment, materials, and technology developed by scientists at the USSR Academy of Sciences and union republic academies of sciences and leading higher educational establishments. They include expanding the production of radiation-modified materials with highly developed physical and mechanical properties in national economic sectors and embarking on the assimilation of new lubricants which achieve a "non-wear" effect. Approximately 300 major studies completed by academy of sciences institutions and 400 VUZ developments will be utilized on the basis of direct links with national economic sectors.

A few words now about the USSR Academy of Sciences itself. The tasks of restructuring the country's entire economic organizational mechanism require us to reorganize both the structure and the management system of the Academy.

There is to be an increase in the role of its basic component -- the specialized departments of the Academy of Sciences, which in fact acquire the opportunity to direct the work of scientific institutions toward the implementation of problems of fundamental and applied science. Work is being done to improve the institutes' structure with a view to increasing their organizational flexibility and responsibility for the areas entrusted to them. Finally, the Academy of Sciences is embarking on the production of forecasts for the major areas of science, which will provide a guide for national economic sectors. This reorganization will make it possible to involve broad strata of the scientific community in the management of science.

The acceleration of scientific and technical progress and the advancement of production to the frontiers of science and technology will be aided by the further development of cooperation with the CEMA countries.

This work is based on the Comprehensive Program for CEMA Countries' Scientific and Technical Progress Through the Year 2000. In this connection, the 1987 plan envisages targets for the development of research and studies to solve these problems. Around 1,400 scientific and planning and design organizations and associations in our country and in the other CEMA countries are involved in implementing the Comprehensive Program.

A few words now about the future. Analysis has shown that our country has established a fine scientific and technical foundation for attaining the highest world standards. But this foundation can only be exploited through the use of planning decisions based on exhaustive analysis in the capital construction of new enterprises and revamping of existing ones; they must be geared to the 1995-2000 level. This is the key issue of our future. All national economic sector leaders must focus attention on it. This was discussed most earnestly at the Central Committee conference on scientific and technical progress and at the 27th CPSU Congress.

Comrade Deputies! The implementation of plan targets in 1987 will take place in conditions of national economic reorganization. USSR Council of Ministers permanent bodies will play a full part in managing groups of related and similar sectors. The recent party and government decisions on improving the economic mechanism in the agro-industrial complex, in construction, light industry, and trade and the switch to conditions of self-sufficiency and self-funding in the case of a number of ministries, associations, and enterprises will have a profound impact on progress in plan fulfillment. All this will create favorable prerequisites for the successful fulfillment and overfulfillment of the state plan next year. Intensive, selfless labor by the entire Soviet people is the guarantee of this.

The Academy of Sciences sees the 1987 plan as a product of exhaustive scientific analysis, as one of tough targets and entirely feasible indicators. (Applause)

FURTHER REPORTAGE ON SUPREME SOVIET SESSION

Soviet of Nationalities Session

PM200935 Moscow IZVESTIYA in Russian 19 Nov 86 Morning Edition p 1

[Unattributed "Information Report on USSR Supreme Soviet Sessions"]

[Text] The first Soviet of Nationalities session was held in the hall of sessions of the USSR Supreme Soviet chambers at 1700 on 17 November. It was chaired by A.E. Voss, chairman of the Soviet of Nationalities.

The Soviet of Nationalities heard a report by O.S. Miroshkhin, chairman of the Credentials Commission, on the checking of the credentials of the deputies elected since the Fifth USSR Supreme Soviet Session to replace missing deputies. The Soviet of Nationalities resolved to recognize the credentials of the following deputies: A.N. Shchepetilnikov, elected for the RSFSR's Groznenskiy Electoral Okrug No. 7; I.S. Umarov, elected for the Uzbek SSR's Dzhizakskiy Electoral Okrug No. 102; T.V. Lordkipanidze, elected for the Georgian SSR's Kutaisskiy Electoral Okrug No. 178; P.K. Luchinskiy, elected for the Tajik SSR's Isfarinskiy Electoral Okrug No. 364; G.V. Aleshin, elected for the Estonian SSR's Kokhtla-yarveskiy Electoral Okrug No. 467; V.A. Zakharov, elected for the Kalmyk ASSR's Maloderbetovskiy Electoral Okrug No. 552; V.I. Ogarok, elected for the Kara-kalpak ASSR's Kungradskiy Electora Okrug No. 561; V.G. Kolesnikov, elected for the North Osetian ASSR's Kosta-khetagurovskiy Electoral Okrug No. 625; Yu.P. Voronov, elected for the Tuva ASSR's Ovyurskiy Electoral Okrug No. 652; A.S. Kamay, elected for the Belorussian SSR's Novobelitskiy Electoral Okrug No. 87; I.S. Muratalin, elected for the Kirghiz SSR's Narynskiy Electoral Okrug No. 338; O.G. Anfimov, elected for the Tajik SSR's Nurekskiy Electoral Okrug No. 377; O.S. Belyakov, elected for the Mari ASSR's Volzhskiy Electoral Okrug No. 595; V.M. Lukyanenko, elected for the Tatar ASSR's Vakhitovskiy Electoral Okrug No. 636; and M.A. Korolev, elected for the Tatar ASSR's Zainskiy Electoral Okrug No. 639.

In accordance with the regulations of the USSR Supreme Soviet, the Soviet of Nationalities made the individual changes to the composition of the chamber's standing commissions.

Then N.I. Maslennikov, chairman of the Plan and Budget Commission, delivered the coreport of the Plan and Budget Commission and other standing commissions on the State Plan for the Economic and Social Development of the USSR for 1987, on progress in fulfilling the State Plan for the Economic and Social Development of the USSR in 1986, on the USSR State Budget during 1985.

The following deputies spoke in the debate on these questions: Ye.Ye. Sokolov, V.I. Kazakov, G.S. Zharko, V.G. Chirskov, V.A. Grebenyuk, V.V. Karpov, and V.K. Mikuchyauskas.

The 6th USSR Supreme Soviet Session, 11th convocation, continued its work in Moscow 18 November 1986.

The second Soviet of Nationalities session was held in the hall of sessions of the USSR Supreme Soviet chambers at 1000. It was chaired by A.E. Voss, chairman of the Soviet of Nationalities.

The session continued the discussion of the reports on the State Plan for the Economic and Social Development of the USSR for 1987, on progress in fulfilling the State Plan for the Economic and Social Development of the USSR in 1986, on the USSR State Budget for 1987, and on the fulfillment of the USSR State Budget during 1985.

The following deputies spoke in the debate: Yu. Nazirov, N.F. Tatarchuk, M.I. Berdzenishvili, V.Yu. Mamedova, M.I. Busygin, G.N. Kiselev, A.I. Bolshakov, O.I. Pipikis, S.A. Ambartsumyan, M.M. Galiyev, Ye.T. Mitrin, S. Rakhmonov, L.D. Ovsyannikova, M.A. Pedak, and F.P. Lyabushev.

With this the Soviet of Natonalities concluded its discussion of the reports on the first two items on the session agenda.

The session is continuing its work.

Joint Session Proceedings

LD191055 Moscow Domestic Service in Russian 0900 GMT Nov 86

[Excerpts] The session of the USSR Supreme Soviet is continuing in the Great Kremlin Palace today. The second joint session of the Soviet of the Union and the Soviet of Nationalities began 2 hours ago. [passage omitted]

Then the final speech on the USSR's state budget for the 2d year of the 5-year plan period was delivered by Deputy Gostev, USSR minister of finance. Those taking part in the session unanimously adopted the law on the state budget of the USSR for 1986 and a resolution on the fulfillment of the budget for 1985.

The session went on to discuss the next point on the agenda, the activity of the Committee of People's Control of the USSR. A report was delivered by Deputy Shkolnikov, chairman of the committee. He spoke about the activity of the committee which was formed in April 1984 [as heard]. The main thing in this activity is the monitoring of the fulfilment of state plans and tasks and the search for existing reserves. Measures which have been taken to remove the shortcomings that have been uncovered have helped to correct the state of affairs and prevent interruptions of work and to strengthen discipline. But we finally realize, Deputy Shkolnikov continued, that the efficiency of the people's control does not yet accord with today's demands. It often still fails to fulfil one of its main tasks, to prevent shortcomings. Restructuring for us means changing the situation, the speaker went on, and raising the work of the committees and groups to the level of the new tasks and ensuring greater results.

In the report back period the committee checked the situation at many of the most important sites of the fuel and energy complex, in enginneering, metallurgy, chemicals and light industry. The measures adopted as a result of the checks have helped to improve affairs at the building sites and to bring the facilities into use. Recently the organs of people's control have extended noticeably the circle of questions by implementing checks in the social sphere too, the speaker noted. The committee attaches a great deal of importance to work with the applications and complaints of the workers. In 2 and 1/2 years, the speaker stressed, more than 1.5 million people addressed applications in letters to us and came to our surgeries. Many letters served as a foundation for thorough going checking and principled conclusions.

Deputy Shkolnikov gave an assurance that the workers and activists of the people's control, being aware of their responsibility to the party and people, will do everything possible to cope with the tasks set to it.

The session is now discussing the report on the activity of the Committee of People's Control of the USSR.

TV Reports 19 Nov Speakers

LD191535 Moscow Television Service in Russian 1130 GMT 19 Nov 86

[From the "Novosti" newscast]

[Excerpts] The Sixth Session of the USSR Supreme Soviet of the 11th Convocation continued its work in Moscow's Great Kremlin palace today. [passage omitted]

In separate voting by chamber, the USSR Supreme Soviet unanimously adopted the law on the state budget for next year, and approved the report on the execution of the budget for 1985. [video shows voting by raising of hands]

A report on the activity of USSR People's Control was delivered by Deputy Shkolnikov, chairman of the USSR People's Control Committee. [video shows Shkolnikov speaking]

In present conditions, the speaker noted, the organs of People's Control are called upon to operate more actively and dynamically. They must more rapidly restructure their work in accordance with party requirements. The committee and the control organs locally, being guided by the instructions of the party, and the provisions of the consultation on People's Control, are primarily concentrating their attention on monitoring the fulfillment of state plans and tasks, on searching out and bringing reserves into production, and economizing and rational utilization of labor and financial resources. Measures have been taken both centrally and locally to eliminate hidden shortcomings. In many cases they have helped rectify the situation, prevent disruption of work and strengthen discipline. In many directions work is in progress on control in the agro-industrial complex.

A coreport of the commission on legislative proposals of the chambers was delivered by Deputy Mironov, chairman of the commission on Legislative Proposals of the Soviet of nationalities. [video shows Mironov addressing the chamber and shots of audience] [passage omitted]

The deputies unanimously adopted a decision of the USSR Supreme Soviet on the activity of the USSR People's Control Committee. With that the daytime session concluded.

National Income To Increase

LD191136 Moscow TASS in English 1055 GMT 19 Nov 86

[Text] Moscow November 19 TASS -- The USSR's national income is to show a 4.1 percent increase next year. This is envisaged by the law on the state plan of the economic and social development of the USSR, which has been endorsed at the session of the USSR Supreme Soviet in the Kremlin today.

The law provides for a 4.4 percent increase in industrial output, a 4.6 percent increase in capital investments in the economy. A growth of labour productivity in industry, construction and in railway transport is also envisaged.

It is planned to increase the real per capita income by 2.6 percent. The public consumptions funds, from which free education, medical attendance, etc, are financed, will grow 4.9 percent.

The plan for 1987 provides for a further increase in the pay to the workers in the public education, health services and social security. Bonuses are envisaged for factory and office workers for continuous career of work in the southern areas of the Far East and some other regions of the USSR.

Next year, the paid leave for attendance for a sick child will be extended to reach 14 days. An increase is envisaged in the pensions paid to collective farmers and members of their families, which were fixed more than ten years ago at the size of up to 50 roubles a month. An increase is envisaged in the grants to disabled persons from childhood, free supply of medicines to crippled children at the age of up to 16 years is planned.

On top of that, the plan includes the provision of an increase in the grants to post-graduates of higher educational establishments and research institutions.

Next year it is planned to build more than two million apartments.

The deputies have adopted the law on the state budget of the USSR for 1987. Its revenue side will be 435,600 million roubles, and the outlays -- 435,500 million roubles. Defence spendings in the budget will be preserved at last year's rate of 4.6 percent.

Individual Labor Law Debated

LD191627 Moscow Domestic Service in Russian 1330 GMT 19 Nov 86

[Special correspondent Aleksandr Ruvinskiy report from the Great Kremlin Palace entitled: "At the Session of the Supreme Soviet of the USSR"]

[Excerpt] The final joint session of the Soviet of the Union and Soviet of Nationalities began with a discussion of the draft law of the USSR on individual labor activity. A report was delivered by Ivan Ivanovich Gladkiy, chairman of the State Committee for Labor and Social Problems. After a co-report by the Commission for Legislative Proposals, the debate opened. Those who spoke were: Vagris chairman of the Presidium of the Supreme Soviet of Latvia; Khristoradnov, first secretary of the Gorkiy Obkom; Trunov, chairman of the Central Union of Consumers' Cooperatives; Lomonosov, deputy chairman of the AUCCTU, and Magomedov, chairman of the Council of Ministers of Dagestan.

A brief word about the content of this law. Its essence is to satisfy more fully the demands of the citizens for goods, and services, and to raise the number of those employed in socially useful work. In accordance with their labor expenditure people will obtain the chance for extra income. The spheres in which it is proposed to use this individual labor activity are quite wide: They are the preparation of clothes, shoes, sewn goods and haberdashery, furniture, pottery and souvenirs. As for consumer services, they are construction and repair of housing and garden cottages, the repair of various domestic appliances and apparatus, and of cars. It envisages the possibility of citizens being offered transport services by the owners of private cars. [passage omitted]

Labor Law Adopted

LD191505 Moscow TASS in English 1408 GMT 19 Nov 86

[Text] Moscow November 19 TASS -- The USSR Supreme Soviet has adopted today the law on individual labour.

The law has determined 29 types of individual labour permitted in the field of production and services, among them, in particular the sewing of clothing, shoe-making, the making of knitwear, furniture, toys, souvenirs, fishing tackle, etc. Also permitted have been services involved in construction, repairs of housing, the tilling of land plots, repairs to automobiles, household appliances, furniture, clothing, carpets, etc. Transport services by private car owners are allowed on an individual basis, as well as instruction in music, shorthand, coaching, translation from foreign languages, etc.

The law provides that the list of articles and services can be locally enlarged, if necessary.

The law prohibits the manufacture of all types of weapons, medicines, toxic and narcotic substances, multiplication and copying machines and some other articles. It is prohibited to run baths, gambling places and totalizators.

Entitled to individual labour activity in their time off are citizens of age participating in socialised production, housewives, disabled persons, pensioners, students and schoolchildren. Only jointly residing family members are allowed to engage in individual labour activity. Hired labour is prohibited.

The persons engaged in individual labor activity shall pay taxes, whose size depends on their earnings. Permission to pursue individual labour activity is granted by the local authorities (soviets). They also assist citizens in this activity.

The law shall become effective as of May 1, 1987.

Benefits of Law Cited

LD191618 Moscow TASS in English 1446 GMT 19 Nov 86

[Text] Moscow November 19 TASS -- TASS correspondents report from the Kremlin:

The deputies to the USSR Supreme Soviet of the USSR today approved a law on individual labour in the USSR. It is for the first time in Soviet legislation that stipulations on work made and paid for on an individual basis rather than through a socialist or cooperative enterprise have been clearly defined. True, the Soviet Constitution has an article allowing individual labour but there has so far been no legislation to regulate it.

Although there has always been individual labour, commonly referred to as "private enterprise," in the country, mostly in the services, it was used primarily when people wanted to have quality repair work done on their flats, T.V. sets or cars, or a book bound beautifully. "Private" workmen used to do those jobs better and faster than the government-owned services, though the prices were far higher.

The situation was not to the liking of everyone and, in the absence of national legislation, the measures that were taken by the local authorities in that field were for the most part prohibitive. All this, naturally, fettered the initiative of those who would like to put in some work in their free time and had a negative effect on the services to the population: The government-owned services, though not adequately developed, were in a monopoly situation, dictating to consumers the kinds and range of services, their quality, cost, duration of fulfilment, etc.

The situation is now likely to change. The new law will stipulate the status, rights and duties of people willing to render services individually. They will become serious competitors for the government-owned system of services and make it improve faster. This also holds true for the crafts.

Soviet society will only stand to gain because the socialist principle which underlies it welcomes and encourages the individual work of everyone that contributes to the common good. This is precisely what individual labour will do.

TASS Summarizes Work

LD191603 Moscow TASS in English 1544 GMT 19 Nov 86

[Text] Moscow November 19 TASS -- A session of the Supreme Soviet of the U.S.S.R. completed its deliberations in the Kremlin today.

The Soviet parliament endorsed the plan for the social and economic development of the U.S.S.R. in 1987 and the country's budget for 1987.

It is planned to increase the national income by four-odd per cent. The population's real incomes are to grow by over 2.5 per cent over the year. The share of spending on defense remains at the level of the current year -- 4.6 per cent.

The session discussed the activities of the U.S.S.R. People's Control Committee (the People's Control system in the Soviet Union comprises the state and public control).

Aleksey Shkolnikov, chairman of the U.S.S.R. People's Control Committee, said in his speech that 10 million people were taking part in the work of people's control groups and posts acting on a voluntary, non-paying basis at virtually all enterprises and offices in the Soviet Union.

The deputies analyzed the committee's work and pointed out shortcomings and omissions. A resolution passed by the Soviet parliament outlined ways for improving the activities of the People's Control system.

The Supreme Soviet of the U.S.S.R. endorsed the law on individual labour. It defines almost 30 types of activities which are permitted in the sphere of production and in the consumer services sector.

The list of those who can engage in individual labour includes citizens who have come of age -- they can do so in their spare time -- and also housewives, the disabled, pensioners, students and those undergoing training.

Only the jointly living members of a family can engage in individual labour. Hired labour is not permitted.

In the light of the situation that has taken shape after the Soviet-American summit meeting in Iceland, the Supreme Soviet of the U.S.S.R. addressed the parliaments and peoples of the world, calling upon them to prevent the door to a nuclear-free future, which has begun to be opened in Reykjavik, from being slammed shut. The message from the Soviet Parliament called for "coming out strongly for a practical start to creating a nuclear-free world and building reliable security to be shared by all countries on an equal basis." (the full text of the message was moved to all TASS subscribers)

The session elected Viktor Mironenko, first secretary of the YCL (Young Communist League) Central Committee, a member of the Presidium of the Supreme Soviet of the U.S.S.R. His predecessor in the post of the YCL leader, Viktor Mishin, who is now a secretary of the Central Council of Trade Unions of the U.S.S.R., was relieved from his duties as a member of the presidium of the Supreme Soviet on his request.

The deputies endorsed the ordinances issued by the Supreme Soviet in the period since the previous session.

Dobrynin Addresses Session

LD191506 Moscow TASS International Service in Russian 1400 GMT 19 Not 86

["USSR Supreme Soviet Adopted Appeal to Parliaments and Peoples of the World" -- TASS headline]

[Text] Moscow, 19 Nov (TASS) -- The situation in the world since the Soviet-American meeting in Reykjavik is to a great extent not the same as it was before. The struggle for a nuclear-free future has entered a qualitatively new stage. Deputy Anatoliy Dobrynin, secretary of the CPSU Central Committee, has drawn attention to this. He was speaking today at the session of the USSR Supreme Soviet on behalf of the foreign affairs commissions of both houses of the Soviet Parliament.

The deputy emphasized that "the demand for peace has grown today as never before. Mankind does not want to live in a universe [mirozdaniye] whose ceiling is hung with nuclear Swords of Damocles. The issues of war and peace, stopping the arms race, and disarmament are being discussed ever more widely everywhere. There is growing understanding among broad world public of the cardinal fact that the main obstacle on the path to a nuclear-free tomorrow is the dangerous 'Star Wars', or SDI, program."

The dangerous situation, Dobrynin went on to say, "authoritatively demands a new approach to security issues, new thinking in foreign policy and a new philosophy of international relations."

The deputy recalled the evaluation of the Reykjavik meeting made by Mikhail Gorbachev, general secretary of the CPSU Central Committee: The goal has become closer and tangible, but the situation has become still more complex and contradictory. Agreements, unprecedented in scope, are clearly visible and accessible, but so are the vast obstacles on this path.

Dobrynin read out a draft appeal "to parliaments and peoples of the world," which was unanimously adopted by the Soviet deputies.

An account [izlozheniye] of the appeal follows.

Session Ends With Appeal

LD191523 Moscow TASS in English 1503 GMT 19 Nov 86

[Text] Moscow November 19 TASS -- Follows the full text of the message from the Supreme Soviet of the USSR to the parliaments and peoples of the world.

"Mindful of the fact that the community of the historical destinies of all countries and peoples in the face of the threat of a nuclear holocaust imperatively dictates the need for joint actions in the name of averting it, the Supreme Soviet of the USSR deemed it necessary to address all parliaments and peoples of the world.

The Soviet-American summit meeting in Reykjavik signified a qualitatively new stage in the effort to bring about a world without nuclear weapons. We know now: it is possible to get rid of nuclear weapons as early as during the lifetime of the present generation.

It is precisely with this aim that our country advanced its daring, yet quite feasible, programme.

The Soviet Union proposes reducing by 50 per cent the strategic offensive arms of the USSR and the U.S. over a period of five years. In the five years after that, that is by the end of 1996, all the remaining arms of the sides in that category would be subject to elimination.

We propose eliminating completely medium-range nuclear missiles of the USSR and the U.S. in Europe and reducing radically the number of missiles of that class in Asia.

We propose that the USSR and the U.S. pledge not to use their right to withdraw from the 1972 treaty on the limitation of anti-ballistic missile systems -- the treaty of unlimited duration -- over a period of 10 years and to observe strictly all of its provisions. We are opposed to SDI and stand for the strengthening of the ABM treaty.

We propose, finally, that the USSR and the U.S. immediately enter negotiations on a complete termination of nuclear tests.

The idea is that all the drastic nuclear disarmament measures proposed by the Soviet Union should be carried out under the strictest possible control, including international control with on-site inspections.

The radical measures listed above make up an integral package. The package is a balance of interests and concessions, a balance of the removal of mutual concerns, an inter-dependence of the security interests.

Reykjavik did not only give rise to hopes. It also brought to light the difficulties on the road to a nuclear-free world. The conclusion reached by a considerable part of the world public that the American 'Star Wars' plans, the so-called SDI programme, because the main obstacle hindering agreements on the elimination of nuclear weapons is a correct conclusion. This was confirmed in full at the Reykjavik meeting. The SDI programme is an attempt to achieve the status of military superiority, to find a method of waging a nuclear war with the hope for a victory in it.

The historical experience shows that the USSR has always found an adequate response to any threat to its security. This will be so in the future as well. The Soviet Union has the sufficient intellectual, scientific, technical and industrial potential for that.

But the Supreme Soviet of the USSR realizes that the development of space weapons, with the arms race spilling over into an exceptionally costly and especially dangerous sphere, will deprive the politicians of a possibility of control the march of events. A technical fault or mistake, a computer malfunction can trigger off an irreparable catastrophe.

The Soviet Union suggests a real alternative to the space arms race. It is peaceful space exploration through cooperation among all countries for the common benefit and prosperity.

At this exceptionally important, perhaps decisive moment in human history, the Supreme Soviet of the USSR calls on all parliaments and peoples to come out strongly for a practical start to creating a nuclear-free world and building reliable security to be shared by all countries on an equal basis. This task must take priority over any state-to-state disputes and ideological disagreements. Nobody must be allowed to slam shut the door to a nuclear-free future, which has begun to be opened in Reykjavik.

The Supreme Soviet of the USSR solemnly confirms that the USSR does not withdraw any of the proposals it made in Reykjavik, aimed at eliminating all nuclear systems. The Soviet delegation to the talks in Geneva has been instructed to abide by these proposals in their totality.

The Supreme Soviet of the USSR confirms that the unilateral moratorium on all nuclear blasts, declared by the Soviet Union more than 15 months ago, remains in effect. There still is time until January 1, 1987 for the United States to listen, at long last, to the voice of reason and demands by hundreds of millions of people the world over and stop nuclear explosions. In this case, the USSR, too, would not resume nuclear testing. Thereby a long stride would be taken along the path to nuclear disarmament.

We continue to stand for a ban on chemical weapons and the destruction of all their stocks. We stand for strict compliance with the convention banning biological weapons. We stand for substantial cuts in conventional arms in Europe on the principles of equal security for the sides. The concrete, far-reaching proposals of the Soviet Union and the other Warsaw countries on all these issues still stand and we are waiting for a reply from the NATO countries.

The Supreme Soviet of the USSR is convinced that there is room for every state in the common effort to deliver mankind from the nuclear burden. When the task is to save mankind, there are no big and little countries and peoples. It concerns all and should be a cause of all.

This is why the moment has come for everyone to determine his stand in the face of the threat of outer space being made into an arena for military rivalry. No government and no parliament may avoid responsibility as the matter at issue is the life of all countries, including their own countries and people. There cannot and mustn't be anyone neutral in this respect.

Our message to you is also an address by all Soviet people. Time is pressing. It is urging action.

GORBACHEV, OTHERS ATTEND LOMONOSOV JUBILEE

LD191847 Moscow Domestic Service in Russian 1630 GMT 19 Nov 86

[Text] A ceremony took place in Moscow today at the USSR Bolshoy Theater, devoted to the 275th anniversary of the birthday of Mikhail Vasilyevich Lomonosov, leading light of Russian and world science. Participants in the session greeted Comrades Gorbachev, Vorotnikov, Gromyko, Ligachev, and Ryzhkov with applause.

Also in the presidium are members of the All-Union Jubilee Commission, workers of science and culture, representatives of the public, together with envoys of international scientific organizations, eminent foreign scientists. Among them are prize winners of the highest award of the USSR Academy of Sciences, the Lomonosov Gold Medal.

The ceremony was opened by Academician Marchuk, president of the USSR Academy of Sciences. The glorious name of the founder of the national science, the great son of the Russian people, is dear to all Soviet people. The scientific exploit of Lomonosov, Academician Marchuk stressed, inspires scientists of our epoch to selfless labor, for new achievements in developing Soviet science, which is directed at all-round acceleration of progress of our socialist motherland.

A report entitled Mikhail Vasilyevich Lomonosov, the Founder of National Science, was made by Academician Frolov, vice president of the USSR Academy of Sciences. Speaking at the ceremony were Comrade Telepnev, first secretary of the Arkhangel Obkom, and Comrade Mikhaylov, secretary of the Board of the USSR Union of Writers.

Academician Marchuk, who chaired the session, then announced that numerous messages and greetings addressed to the Academy of Sciences and this meeting, had arrived from scientific and public organizations, including those abroad. A telegram was received from the UNESCO secretary general. The scientist expressed his gratitute to all who sent congratulations on this glorious date in the history of Russian and world culture.

ALIYEV, LIGACHEV, DEMICHEV AT POET'S BIRTHDAY

LD182306 Moscow Television Service in Russian 1800 GMT 18 Nov 86

[From the "Vremya" newscast; report over video]

[Text] A festive soiree was held in the Hall of Columns of the House of the Union today to mark the 80th anniversary of the birth of the outstanding Azerbaijani Soviet poet and patriot Samed Vurgun. In the presidium were Comrades Aliyev, Ligachev, and Demichev, representatives of party and public organizations and labor collectives, and envoys from the fraternal republics. Speakers pointed out that in all his creative work, the poet waged a constant struggle against evil and social injustice, and called upon the personalities of world culture to cooperate closely and to struggle for the peace and happiness of the peoples. [video shows Ligachev, Aliyev, and Demichev in front row on platform]

GROMYKO PRESENTS ORDERS OF LENIN, OTHER HONORS

LD191646 Moscow Domestic Service in Russian 1530 GMT 19 Nov 86

[Text] Andrey Andreyevich Gromyko, member of the CPSU Central Committee Politburo, chairman of the USSR Supreme Soviet Presidium, presented orders of the Soviet Union to a group of persons who have been awarded them in the Kremlin today.

Orders of Lenin were received by: Comrade Voss, chairman of the Soviet of Nationalities of the USSR Supreme Soviet; Comrade Kamentsev, deputy chairman of the USSR Council of Ministries; Comrade Murakhovskiy, first deputy chairman of the USSR Council of Ministers, chairman of the USSR State Agro-industrial Committee; first secretaries of the Obkoms:

Tomsk -- Comrade Zorkaltsev:
Lipetsk -- Comrade Manayenkov;
Chuvash -- Comrade Prokopyev;

Orders of the October Revolution were received by the first secretaries of the Obkoms:

Kabardino-Balkar -- Comrade Yeliseyev;
Kalmyk -- Comrade Zakharov:

Orders of the Labor Red Banner were received by the first secretaries of the Central Committees of the Communist Parties of:

Azerbaijan -- Comrade Bagirov:
Armenia -- Comrade Demirchyan;
Georgia -- Comrade Patiashvili,

The first secretary of Yakutsk Obkom, Comrade Prokopyev and by the former first secretary of the Kamchatka Obkom and currently the USSR's ambassador to the SRV, Comrade Kachin.

On behalf of the Party's Central Committee Politburo, the USSR Supreme Soviet Presidium and the Soviet Government, Comrade Gromyko cordially greeted the awarded persons on the award of the high awards to them, he wished them successes in their work and conveyed to them greetings and warm wishes from Mikhail Sergeyevich Gorbachev.

On behalf of those awarded, Comrade Murakhoviskiy warmly thanked the CPSU Central Committee, the USSR Supreme Presidium and the Soviet Government for the high appraisal of their work.

ENTRY, EXIT REGULATION AMENDMENTS MADE OFFICIAL

PM171251 Moscow SOBRANIYE POSTANOVLENIY PRAVITELSTVA SSSR: OTDEL PERVYY in Russian No. 31 pp 563-566

[USSR Council of Ministers Resolution "On Addenda to the Regulations on Entering and Leaving the USSR"]

[Text] The USSR Council of Ministers resolves:

To introduce the following addenda to the regulations on entering and leaving the USSR ratified by USSR Council of Ministers Resolution No. 801 of 22 September 1970 (SOBRAINIYE POSTANOVLENIY PRAVITELSTVA SSSR, 1970, no. 18, p 139):

After Article 19 of the regulations add the following new section:

"Consideration of applications to enter or leave the USSR on private business."

20. Soviet citizens, foreign citizens, and stateless persons may enter or leave the USSR irrepective of their provenance, social standing, property status, race, nationality, sex, education, language, or religious beliefs.

21. Applications to enter or leave the USSR on private business (reunions with family members, meetings with close relatives, marriages, visits to seriously ill relatives, visits to close relatives' places of burial, settlement of inheritance questions, and other valid reasons) shall be made to the relevant USSR diplomatic missions or consulates or USSR internal affairs organs at the place of residence of the citizen or stateless person.

The procedure for examining applications and formalizing entry to and departure from the USSR on private business is laid down by the present regulations, by other acts of USSR legislation, and by instructions issued in accordance with them by the USSR MVD and Foreign Ministry, and also -- for questions connected with marriages -- by the USSR Ministry of Justice instruction on the procedure for registering in the USSR marrages between Soviet citizens and foreign citizens or stateless persons.

22. Applications to invite to the USSR citizens domiciled abroad or to travel abroad on private business may be made by persons who have reached the age of 18.

Children under 18 may travel abroad only on receipt of an application from their lawful representatives and, as a rule, when accompanied by them. Children between 14 and 18 may only emigrate from the USSR following presentation of their duly notarized written consent.

23. Applications to leave the USSR temporarily on private business shall be examined following presentation of the relevant documents.

The length of temporary stay in the USSR or abroad on private business shall be determined with regard to the purpose of the trip. The period may be correspondingly extended by USSR internal affairs organs and diplomatic missions or USSR consultates by agreement with the other state.

24. Applications to travel abroad from the USSR for a family reunion shall be examined on presentation of an invitation duly certified by the competent authorities in the corresponding foreign state from a husband, wife, father, mother, son, daughter, brother, or sister, and of substantively certified statements from the family members remaining in the USSR and from the former spouse (if there are children under the age of majority from this marriage) showing that the traveler has no outstanding obligations toward them under USSR law.

The question of other relatives and dependants leaving the USSR with the traveler who are unable to work shall be examined on application from the traveler if they live together as a household.

If the person applying to leave has no family members in the USSR the application may be considered on presentation of an invitation from another relative.

25. Soviet citizens shall not be permitted to leave the USSR on private business:

a) If they are privy to state secrets or if there are other reasons of state security -- until the circumstances preventing departure no longer obtain;

b) If it damages the material rights and legitimate interests of other USSR citizens;

c) If they have outstanding obligations to the state or property obligations that affect the material or legal interests of state, cooperative, or other public organizations -- until these obligations have been honored;

d) If there are legal grounds for instituting criminal proceedings against them -- until the proceedings are completed;

e) If they have been convicted of a crime -- until completion of or release from the sentence;

f) If it is established that the person issuing the invitation is abroad in violation of the procedure for leaving the USSR or living abroad -- until the situation is rectified.

Soviet citizens may be refused permission to leave the USSR on private business:

a) In the interests of safeguarding public order or the population's health or morality -- until the circumstances preventing departure no longer obtain;
b) If during a previous trip abroad they acted in violation of state interests or if it is established that they violated customs or foreign exchange legislation;
c) If they provide false information when applying to leave;

26. Entry into the USSR by a Soviet citizen permanently domiciled abroad may be temporarily refused only in exceptional cases when it is necessary to safeguard state security, to ensure public order and the population's health and morality, or to protect the rights and legitimate interests of Soviet citizens and other persons.

27. Foreign citizens and stateless persons may be refused entry to or exit from the USSR on the grounds laid down by Articles 24 and 25 of the USSR law "On the Legal Status of Foreign Citizens in the USSR."

28. Applications to temporarily enter or leave the USSR on private business shall be examined as quickly as possible and, as a rule, within no longer than 1 month, and within 3 days if the trip is in connection with a relative's serious illness or death.

Applications for immigration to or emigration from the USSR shall be examined within 1 month; if additional examination is necessary this period may be extended, but for no more than 6 months.

The applicant shall be informed of the results of the application and, should it be refused, of the reasons for the refusal.

Authorization to enter or leave the USSR shall be valid for 6 months.

29. In the event of an application to enter or leave the USSR on private business being refused, repeat applications, as a rule, shall be examined no sooner than 6 months following the refusal. Previously submitted documents shall be taken wholly or partially into account if there have been no changes that could be of substantive importance for the examination of the application.

30. Questions of entering or leaving the USSR on private business may also be regulated by bilateral agreements between the USSR and other states.

This resolution to become effective as of 1 January 1987.
N. Ryzhkov, chairman of the USSR Council of Ministers
M. Smirtyukov, USSR Council of Ministers administrator of affairs
Moscow, the Kremlin, 28 August 1986. No. 1064.

KARAGANDA OBKOM APPOINTS NEW FIRST SECRETARY

LD151455 Moscow Domestic Service in Russian 1400 GMT 15 Nov 86

[Text] A plenum of Karaganda obkom, which examined organizational issues, took place today. The plenum released Comrade Korkin from the duty of obkom first secretary in connection with his confirmation in the post of first deputy minister of the USSR Ministry of Coal Industry. Comrade V.I. Lokatunin, who worked earlier as second secretary of Lipetsk Obkom and recently as an inspector of the CPSU Central Committee, was selected as first secretary of Karaganda Obkom.

MURAKHOVSKIY PRESENTS AWARDS TO FARM WORKERS

PM191555 Moscow TRUD in Russian 15 Nov 86 p 1

[TASS report: "For Work and Honor"]

[Excerpt] These fall days rural workers are celebrating their professional holiday at the USSR Exhibition of National Economic Achievements.

Yesterday 180 leading agricultural workers visited the exhibition "Comprehensive Program for Commodities and Services in Action" and the pavilions of the State Agro-Industrial Committee section. They were then formally awarded USSR Exhibition of National Economic Achievements honorary diplomas and warrants for "Moskvich" cars. The awards were presented by V.S. Murakhovskiy, first deputy chairman of the USSR Council of Ministers and chairman of the USSR State Agro-Industrial Committee. Machine operators and livestock breeders received the high awards. [passage omitted]

CSA REVIEWS STOCKRAISING FIGURES FOR JAN-OCT

PM191559 Moscow EKONOMICHESKAYA GAZETA in Russian No. 47, Nov 86 (Signed to Press 13 Nov 86) p 11

[Unattributed "Statistical Summary": "Stockraising on Kolkhozes and Sovkhozes"]

[Text] The editorial office has received the USSR Central Statistical Administration's figures for the state of stockraising on kolkhozes and sovkhozes during January-October 1986.

Farms in the majority of the country's regions completed the pasturing of livestock in an organized fashion and achieved considerable growth in the production and sales of meat, milk, and other stock unit products.

I. Production of Livestock Products [subhead]

In January-October this year the country's kolkhozes and sovkhozes achieved the following results in the production of livestock products:

Indicators	Jan-Oct 1986	Jan-Oct 1986 as Percentage of Jan-Oct 1985
Meat production (sale of livestock and poultry for slaughter, live weight), thousand metric tons	16,223	107
of which:		
cattle	9,083	106
pigs	3,988	106
sheep and goats	1,011	111
poultry	2,141	110
Gross milk yield, thousand metric tons	69,608	105
Average milk yield per cow, kg	2,295	106
Hen eggs, millions	48,105	107
Average egg yield of laying hens, units	188	104

Kolkhoz and sovkhoz meat production increased by 1,082,000 metric tons in comparison with the same period last year. Meat production increased on farms in almost all union republics with the exception of Estonia.

The greatest increase in meat production in the RSFSR was secured by farms in Murmansk, Kalinin, Tambov, Volgograd, Penza, Kurgan, Chita, Kamchatka, and Magadan Oblasts and the Udmurt, Buryat, and Komi ASSRs.

The gross milk yield in January-October 1986 was 3,176,000 metric tons more than in January-October last year. An increase in milk production was achieved by stock unit workers in all union republics. The greatest increase in milk production in the RSFSR was achieved by kolkhozes and sovkhozes in Murmansk, Volgograd, Saratov, Perm, Irkutsk, Chita, Amur, and Kamchatka Oblasts, the Udmurt, Buryat, and Tuva ASSRs, and Khabarovsk Kray.

Egg production on kolkhozes and sovkhozes in January-October 1986 increased by 3,005 million compared with the same period last year. The greatest increase in egg production was achieved by farms in Tajikistan, Lithuania, Uzbekistan, Turkmenistan, and Kazakhstan.

II. Purchases of Livestock Products (On All Categories of Farms) [subhead]

Types of Product Purchased	Purchased During Jan-Oct 1986	Jan-Oct 1986 as Percentage of Jan-Oct 1985
Livestock and poultry (live weight), thousand metric tons	16,724	108
Milk, thousand metric tons	63,442	105
Eggs, millions	45,549	106

The volume of livestock and poultry sales to the state in the country increased by 1,202,000 metric tons in January-October 1986 in comparison with the same period last year. In the RSFSR the greatest increase in livestock and poultry purchases was achieved by farms in Volgograd, Penza, Kurgan, and Astrakhan Oblasts and the Udmurt ASSR.

Purchases of milk and dairy products increased by 2,850,000 metric tons during January-October 1986. Farms in all union republics increased milk sales to the state. In the RSFSR the biggest increase in milk sales was secured by farms in Chita, Amur, Volgograd, and Perm Oblasts, the Udmurt and Buryat ASSRs, and Khabarovsk and Maritime Krays.

Egg sales to the state in January-October 1986 increased by 2,452 million in comparison with the same period last year. Egg sales increased on farms in all union republics.

III. Production and Purchases of Livestock Products by Union Republic [subhead]

Union republic	Jan-Oct 1986 as Percentage of Jan-Oct 1985					
	Production			Purchases		
	Meat	Milk	Eggs	Livestock and Poultry	Milk	Eggs
USSR	107	105	107	108	105	106
RSFSR	107	105	106	107	105	105
of which the Non-Chernozem Zone	106	103	106	105	103	106
Ukrainian SSR	107	104	107	107	104	105
Belorussian SSR	108	107	103	108	107	103
Uzbek SSR	101	108	112	110	112	109
Kazakh SSR	117	107	111	118	107	107
Georgian SSR	104	106	108	101	100.3	106
Azerbaijan SSR	110	102	110	109	102	105
Lithuanian SSR	102	103	114	102	104	115
Moldavian SSR	110	101	105	109	102	104
Latvian SSR	105	100.9	109	105	102	106
Kirghiz SSR	113	106	110	118	107	108
Tajik SSR	105	103	121	107	103	118
Armenian SSR	104	102	108	103	104	108
Turkmen SSR	105	104	112	104	105	108
Estonian SSR	98	100.2	108	97	100.3	106

IV. Livestock Numbers [subhead]

As of 1 November 1986 there were 95.9 million head of cattle on kolkhozes and sovkhozes -- 1.3 million more than in the corresponding period last year. There were 29 million cows. The pig population reached 62.2 million, which is an increase of 2.4 million. Sheep and goats numbered 118.3 million. The number of poultry stood at 766.1 million, which is an increase of 1.9 million.

TASS NOTES FRENCH COSMONAUTS' ARRIVAL IN STAR CITY

LD161724 Moscow TASS in English 1550 GMT 16 Nov 86

[Text] Moscow November 16 TASS -- French candidates for a joint Soviet-French space mission have arrived in Zvyezdny Gorodok (Star City) near Moscow.

They are the first French Cosmonaut Jean-Loup Chretien who holds the title of Hero of the Soviet Union and air force pilot Michel Tognini.

Both will start pre-start training, according to reports in today's Soviet newspapers.

"Why did the preparations start two years before the planned mission (1988)?" In responding to the question asked by the newspaper KOMSOMOLSKAYA PRAVDA, Chretien recalled that Soviet cosmonauts Vladimir Dzhanibekov and Aleksandr Ivanchenkov and he carried out a seven-day space flight less than four and a half years ago.

They were welcomed aboard the Salyut-7 station by Anatoliy Berezovoy and Valentin Lebedev.

The programme of the next flight is more complex. A transport spaceship of the Soyuz TM series will deliver the crew to the orbital station Mir. The French Cosmonaut will stay on board for thirty days.

The crew are to conduct numerous interesting studies and tests -- medico-biological, technological and others. A French and Soviet cosmonauts are expected to make a space walk.

The newspaper TRUD observed that "the importance of Soviet space projects directed at developing international cooperation in the name of peace and progress, for the benefit of mankind is particularly impressive against the background of the U.S.-Developed sinister programme to militarize outer space."

The newspaper recalled that cooperation between the USSR and France in exploring outer space had been going on for twenty years. It covered all areas of space science.

Dozens of major projects and programmes were fulfilled under the joint plans. "A possible link-up of the Hermes Spacecraft, developed by France within the framework of the European space agency, with a Soviet space station is being considered."

BRIEFS

NEW CLASS OF MICROCOMPUTERS -- Production of the first serially-produced batch of a new class of microcomputers has been completed at the Kursk Schet-Mash Production Association. They are designed for controlling machine tools with digital program control and machining centers, and also for work in the makeup of various technological equipment, measuring and testing devices. [Summary] [Moscow Domestic Service in Russian 0104 GMT 16 Nov 86 LD]